

PolyNovo Limited ACN 083 866 862 – Share Purchase Plan

Share Purchase Plan – Offer

Eligible Shareholders have the opportunity to participate in the Offer by applying for up to \$30,000 worth of Shares without incurring brokerage, commissions, stamp duty or other transaction costs. Details of the Offer and how to participate are set out in these Terms and Conditions. Shares issued under the Offer will rank equally in all respects with all other Shares on issue as at the date of issue and will carry the same voting rights, dividend rights and other entitlements as those Shares.

Share Purchase Plan – Key Dates

Event	Date
Record Date (being the business day prior to PolyNovo's announcement of the Plan)	21 November 2022
Opening Date	30 November 2022
Closing Date	13 December 2022
Issue Date (ie. the date of issue of Shares under the Offer)	20 December 2022
Date on which Shares issued under the Offer are expected to commence trading on ASX	21 December 2022

Note: The Company reserves the right to vary the dates and times set out above subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

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Chairman's letter

29 November 2022

Dear Shareholder

PolyNovo Limited Share Purchase Plan

I am pleased to invite you to participate in the offer of fully paid ordinary shares (**Shares**) in PolyNovo Limited ACN 083 866 862 (**PolyNovo** or the **Company**) under the share purchase plan established by PolyNovo (**Offer** or **Plan**).

The Company is seeking to raise, in total, a maximum of \$17 million under the Offer. The Offer is not underwritten but the Directors reserve the right to place any shortfall in the Offer. The Company also reserves the right to increase the maximum based on overall applications received.

Overview of the Offer

The Offer provides you, as an Eligible Shareholder of PolyNovo (subject to certain conditions), with the opportunity to acquire a minimum of \$1,000 and up to, in aggregate, \$30,000 of Shares in PolyNovo at an issue price of \$1.90 per Share (**Issue Price**) free from any brokerage or transaction costs. The Issue Price is the same as the issue price applicable to the placement to institutional and sophisticated investors to raise approximately \$30 million (**Placement**), which was completed by PolyNovo on 23 November 2022 and announced to ASX on Tuesday, 22 November 2022.

The Issue Price represents a 10.5% discount to the volume-weighted average price of Shares traded on ASX over the 5 trading days up to, and including, Monday, 21 November 2022, which was the last day of trading of Shares on ASX prior to PolyNovo's announcement of the Offer.

PolyNovo is seeking to raise, in total, \$17 million under the Offer. The Directors have reserved the right in their sole and absolute discretion to accept oversubscriptions in excess of \$17 million under the Plan to ensure all Eligible Shareholders have a reasonable opportunity to participate in the Plan.

Similarly, the Company reserves the right to scale back applications in its sole and absolute discretion. Should any scale back be necessary, it is the Company's intention, that the scale back arrangements will be made having regard to the pro rata shareholdings of Eligible Shareholders who apply for Shares under the Offer. If applications are scaled back, excess funds will be returned to applicants without interest.

Participation in the Offer is optional and is open to Eligible Shareholders who, as at the Record Date (7:00pm (AEDT) on Monday, 21 November 2022), were registered as holders of ordinary shares in PolyNovo and whose address on the share register is in Australia or New Zealand.

If an Eligible Shareholder holds Shares as a Custodian, the Offer is also being made to the Custodian and, subject to certain conditions, the Custodian has the discretion to extend the Offer to the relevant beneficiaries.

Use of Funds

The Offer is being undertaken in conjunction with, and supplemental to, the Placement. The Proceeds of the Offer (along with the Placement) will be applied to fund:

- additional commercial staff in US and expansion into Canada, Hong Kong and India;
- ongoing R&D and clinical trials for commercialisation of new products and new indications of existing products;
- development of a new manufacturing, R&D and office facility in Port Melbourne adjacent to PolyNovo's current site;
- costs of the Offer; and

to provide working capital.

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More detail on the use of funds is contained in the information released to ASX in relation to the Offer on 22 November 2022.

Timing considerations

The Offer will be undertaken in accordance with the below timetable. However, PolyNovo reserves the right to vary the dates and times set out below subject to the Corporations Act, ASX Listing Rules and other applicable laws.

Event	Date
Record Date (the business day prior to PolyNovo's announcement of the Plan)	Monday, 21 November 2022
Opening Date	Wednesday, 30 November 2022
Closing Date	Tuesday, 13 December 2022
Issue Date (ie. the date of issue of Shares under the Offer)	Tuesday, 20 December 2022
Date on which Shares issued under the Offer are expected to commence trading on ASX	Wednesday, 21 December 2022

To participate in the Offer, you should either:

- (a) pay via BPAY® online or by telephone (for Shareholders with an eligible Australian bank account only), which is recommended in light of the potential for delays to postal services in the run up to the Christmas holiday period. You do not need to return the Application Form enclosed with this document if you choose this option; or
- (b) complete and return your enclosed Application Form in accordance with the details on the Application Form, together with your cheque, bank draft or money order drawn on an Australian bank in Australian dollars.

Further information

In accordance with the enclosed terms and conditions (**Terms and Conditions**), the Offer is non-renounceable and Shares in PolyNovo may be issued under the Offer only to the Eligible Shareholder to whom they are offered.

In deciding whether to participate in the Offer, you should seek your own independent financial, legal and taxation advice in respect of the Offer. No cooling off regime applies to the acquisition of ordinary shares in PolyNovo under the Offer.

On behalf of the Board, I thank you for your continued support of PolyNovo and I invite you to consider participating in the Offer.

Yours faithfully

David Williams
Chairman
PolyNovo Limited

Questions and answers

Question	Answer
What is the Share Purchase Plan?	<p>The Plan is an opportunity for Eligible Shareholders to purchase additional Shares without brokerage, commissions or other transaction costs.</p> <p>All Shares issued to you under the Plan will rank equally with your existing fully paid Shares and will carry the same voting rights and other entitlements to receive dividends.</p>
Am I eligible to participate?	<p>You are eligible to participate if you fulfil the criteria set out in section 2 of the Terms and Conditions.</p> <p>For you to be eligible to participate in the Offer, you must have been a holder of PolyNovo shares at 7:00pm (AEDT) on 21 November 2022 (Record Date) with a registered address in Australia or New Zealand.</p> <p>Certain Eligible Shareholders who are Custodians holding Shares on behalf of certain beneficiaries are also able to participate in the Plan in accordance with the Terms and Conditions.</p>
Do I have to participate?	<p>No. Participation in the Plan is entirely voluntary.</p> <p>If you do not wish to participate in the Plan, no action is required on your part.</p> <p>Before you apply for Shares, PolyNovo recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser, and you monitor the price of the Shares (which are quoted on the financial pages of major metropolitan newspapers and on the ASX website).</p> <p>This booklet does not purport to contain all of the information that you need to make an investment decision.</p>
Are there any risks in participating in the Plan?	<p>There are risks associated with holding Shares and participating in the Plan.</p> <p>These risks are summarised on pages 25 to 30 (inclusive) of the Investor Presentation which was released on ASX on 22 November 2022 and available on PolyNovo's website: https://au.polynovo.com. Eligible Shareholders are encouraged to read these risks carefully before deciding to apply for Shares under the Plan.</p> <p>In addition, there is a risk that the Issue Price may differ from the market price of Shares on the day Shares are issued or allotted to you under the Plan. The market price or value of Shares is subject to market volatility. It may be higher or lower, at any time, than the Issue Price of the Shares you receive.</p>
Can I transfer my entitlement to participate?	<p>If you are eligible to participate in the Offer, you cannot transfer your right to purchase shares under the Offer to anyone else.</p>
What is the Issue Price of the Shares under the Plan	<p>The Issue Price of each Share issued under the Offer will be \$1.90 per Share, being the same price as Shares issued under the Placement, the completion of which was announced by PolyNovo on 23 November 2022.</p> <p>The Issue Price represents a 10.5% discount to the volume-weighted average price of Shares traded on ASX over the 5 trading days up to, and including, 21 November 2022, which was the last day of trading of Shares on ASX prior to PolyNovo's announcement of the Plan on 22 November 2022.</p>
How many Shares can I apply for under the Plan?	<p>If you are an Eligible Shareholder, you are entitled to contribute a set amount of \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000 in applying for new Shares, regardless of the number of Shares you currently hold. These amounts may be subject to scale back.</p> <p>If you receive more than one copy of this booklet, or you hold Shares in more than one capacity (e.g. because you are both a sole and joint holder of Shares), the maximum amount you may apply to invest under the Plan in all capacities, and in aggregate, is \$30,000. By applying to purchase Shares under the Plan, you certify you have not exceeded this \$30,000 limit.</p> <p>If the Issue Price cannot be divided into \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000, to give a whole number of Shares, there will be rounding down of the number of Shares. By applying to purchase Shares under the Plan, you acknowledge that any remaining balance of your payment arising from any rounding down will be deemed to form part of the aggregate issue price for the Shares. You will not receive a refund for this amount which will always be less than the Issue Price of one Share.</p>

What will happen if the Plan is oversubscribed?	<p>The Plan aims to raise, in total, a maximum of approximately \$17,000,000. The Directors have reserved the right in their sole and absolute discretion to accept oversubscriptions in excess of \$17 million under the Plan to ensure all Eligible Shareholders have a reasonable opportunity to participate in the Plan.</p> <p>PolyNovo may, at its absolute discretion, scale back the number of Shares that will be allotted to individual Shareholders under the Plan. Should any scale back be necessary, it is the Company's intention that the scale back arrangements will be made having regard to the pro rata shareholdings of Eligible Shareholders who apply for Shares under the Offer. If this happens you may be allocated Shares to a value which is less than the value of Shares that you applied for and the difference will be refunded to you.</p>
How do I apply?	<p>To apply for shares under the Offer you can either:</p> <p>Option 1: Pay by BPAY®</p> <p>Eligible shareholders can view this booklet and access their personalised BPAY® instructions online from the SPP open date through the offer website at www.computersharecas.com.au/pnvsvp.</p> <p>Apply for Shares by making a payment of \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000, using the BPAY® facility provided by your bank as per the instructions on the Application Form. If you make a payment by BPAY®, you will be deemed to have completed an Application Form accepting Shares to the value of \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000. You do not need to return the Application Form if paying by BPAY®.</p> <p>We strongly recommend you to apply by paying through BPAY® if possible. This is the fastest and easiest way to apply and is recommended in light of potential delays to postal services caused by the lead up to the Christmas holiday period.</p> <p>Option 2: Pay by cheque, bank draft or money order</p> <p>Follow the instructions set out in the enclosed Application Form. Send your completed Application Form with your cheque, bank draft or money order drawn on an Australian branch of a financial institution in Australian currency, made payable to 'PolyNovo Limited' and crossed 'Not Negotiable'.</p> <p>You will not be able to withdraw or revoke your Application once you have made a payment by BPAY® or sent us the completed Application Form.</p>
Can I apply for Shares under the Plan if my Shares are held by a custodian, trustee or nominee?	<p>If you are beneficiary of Shares held by a custodian, trustee or nominee, and you reside in Australia or New Zealand, you may be eligible to participate in the Plan through your custodian, subject to the requirements set out in section 3.2 of the Terms and Conditions.</p>
How long is the Plan open for?	<p>The Plan opens at 9.00 am (AEDT) on Wednesday, 30 November 2022 and closes at 5.00 pm (AEDT) on Tuesday, 13 December 2022.</p> <p>If you want to participate you should ensure that Computershare Investor Services receives payment in cleared funds by no later than 5.00 pm (AEDT) on Tuesday, 13 December 2022 (the Closing Date for the Plan).</p>
Do I have a guaranteed allocation of Shares under the Plan?	<p>No.</p> <p>PolyNovo reserves the right (at its absolute discretion) to scale back applications under the Plan. If this happens, you may be allocated fewer Shares than the Parcel of Shares for which you applied, and you will be refunded the difference in the application amount (without interest payable on funds prior to your refund).</p>
What is the market price of Shares?	<p>The market price of PolyNovo Shares can be found on the PolyNovo website at https://au.polygonovo.com or the ASX website using the stock code 'PNV'. Information is also in the financial pages of major metropolitan newspapers.</p>

What will funds raised under the Plan be used for?

Proceeds of the Offer will be applied to fund:

- development of a new manufacturing, R&D and office facility in Port Melbourne adjacent to PolyNovo's current site;
- additional commercial staff in US and expansion into Canada, Hong Kong and India;
- ongoing R&D and clinical trials for commercialisation of new products and new indications of existing products;
- costs of the Offer; and

to provide working capital.

More detail on the use of funds is contained in the information released to ASX in relation to the Offer on 22 November 2022.

Further assistance

If you have any questions in relation to the Share Purchase Plan please call your stockbroker, accountant or other professional advisor. If you have any queries in respect of the offer please contact the offer information line on 1300 850 505 from within Australia or +61 3 9415 5000 from outside Australia between 8.30 am and 5.00 pm (AEDT), Monday to Friday while the Offer remains open for acceptance.

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Terms and conditions of the Plan

1. Establishment

The Plan is established pursuant to *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* and in accordance with ASIC Regulatory Guide 125 and the ASX Listing Rules. *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* grants relief from the requirement to prepare a prospectus for the offer of Shares under the Plan, subject to the satisfaction of certain conditions.

2. Participation

The Board may make offers under the Plan to all persons who, as at the Record Date, are Eligible Shareholders.

You are an **Eligible Shareholder** if you were a registered holder of Shares at the Record Date (7.00pm AEDT) on Monday, 21 November 2022) with a registered address in Australia or New Zealand (as shown on PolyNovo's share register) unless:

- (a) you hold shares on behalf of another person who resides outside Australia or New Zealand in which case you will not be eligible to participate in respect of the Shares of that person; or
- (b) you are, or are acting for the account or benefit of, a U.S. Person as defined in Regulation S under the US Securities Act of 1933, as amended (**U.S. Person**).

PolyNovo has determined that it is not practical for a holder of Shares with a registered address (as shown on PolyNovo's share register) in any jurisdiction other than Australia or New Zealand to participate in the Offer. No Offer is made to persons who are not Eligible Shareholders.

Participation in the Offer by Eligible Shareholders is optional and is subject to these Terms and Conditions.

3. Offer

3.1 Nature of offer

The Offer is non-renounceable and Shares may be issued under the Plan only to the Eligible Shareholder to whom they are offered.

The Offer will be made on the same terms and conditions to each Eligible Shareholder. For the avoidance of doubt, all Eligible Shareholders will receive the same offer, irrespective of the number of Shares which they hold on the Record Date.

3.2 Plan participation rules

The following rules apply to participation by Eligible Shareholders.

Single holders

Unless a holder is a Custodian, each Eligible Shareholder is entitled to apply under the Offer to purchase a Parcel of Shares valued at \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000 (irrespective of whether the holder receives multiple offer documents under the Plan, for example, due to multiple registered sole or joint holdings), subject to the holder certifying that the total of the application price for the following does not exceed \$30,000:

- (a) the Shares the subject of the application;
- (b) any other Shares applied for by the holder under the Plan or any similar arrangement in the 12 months before the application;
- (c) any other Shares which the holder has instructed a Custodian to acquire on their behalf under the Plan; and
- (d) any other Shares issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by the holder to the Custodian or another Custodian which resulted in the holder holding beneficial interests in the Shares.

By completing and submitting an application for Shares under the Offer, a holder certifies the above.

Joint holders

Unless a holder is a Custodian, if an Eligible Shareholder is recorded with one or more other persons as a joint holder of Shares, that joint holding is considered to be a single registered holding for the purpose of the Plan and certifications or representations given by a joint holder are taken to have been given by all joint holders. Joint holders are only entitled to participate in the Offer in respect of that single holding. If the same joint holders receive more than one offer document under the Plan due to multiple identical holdings, the joint holders may only apply for one maximum amount of \$30,000 worth of Shares.

Custodians

If an Eligible Shareholder holds Shares as a Custodian, the Offer is made to the Custodian and, subject to a number of conditions, the Custodian has the discretion to extend the Offer to the Beneficiaries. The Custodian may apply for up to a maximum amount of \$30,000 worth of Shares in respect of each Beneficiary, however, PolyNovo will not allocate Shares under the Offer to the Custodian unless the Custodian certifies the matters set out in paragraph 8 of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* in a Custodian Certificate, which it will need to provide to Computershare Investor Services in conjunction with its application.

Custodians wishing to participate in the Offer on behalf of one or more Beneficiaries should contact Computershare Investor Services on 1300 850 505 to obtain further information on how to apply and how to obtain a Custodian Certificate. If a Custodian holds Shares jointly on behalf of two or more Beneficiaries, the \$30,000 limit applies jointly in relation to those Beneficiaries as if the Custodian held the Shares on behalf of a single person.

A Custodian must not participate in the Plan if their participation in the Plan would breach *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

3.3 Other terms

The Offer opens at 9.00am (AEDT) on Wednesday, 30 November 2022. Under the Offer you may apply for shares up to a maximum of \$30,000 (subject to scale back described further below). The Offer will be made subject to any other terms and conditions that the Board thinks fit.

4. Issue Price

Shares will be issued under the Offer at an issue price of \$1.90 per Share (**Issue Price**).

The Issue Price is the same price as Shares issued under the Placement, the completion of which was announced by PolyNovo on Tuesday, 23 November 2022. The Issue Price represents a 10.5% discount to the volume-weighted average price of Shares traded on ASX over the 5 trading days up to, and including, 21 November 2022, which was the last day of trading of Shares on ASX prior to PolyNovo's announcement of the Offer on 22 November 2022.

Important Note: Shareholders should note that there is a risk that the market price of Shares may change between the date of the Offer and the date on which Shares are issued pursuant to the Plan. This means it is possible that, between the time you make your application and the date on which Shares are issued pursuant to the Plan, you may be able to buy Shares at a lower price than the Issue Price. No cooling-off regime applies in relation to the application for or acquisition of Shares under the Plan.

PolyNovo recommends that you monitor the Share price and any PolyNovo announcements, which can be found on PolyNovo's website at <https://au.polynovo.com> or in the financial pages of major Australian metropolitan newspapers, or on ASX's website at www.asx.com.au using the stock code, 'PNV'.

5. Costs of Participation

No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of, Shares under the Plan.

6. Acceptance of Offers

6.1 Payment method

If you wish to participate in the Offer, you need to do one of the following:

Option 1 – Payment by BPAY®

Eligible shareholders can view this booklet and access their personalised BPAY® instructions online from the SPP open date through the offer website at www.computersharecas.com.au/pnvssp.

We strongly recommend you to apply by paying through BPAY® if possible. This is the fastest and easiest way to apply and is recommended in light of potential delays to postal services in the run up to the Christmas holiday season. You do not need to return the Application Form enclosed with this document if you choose this option.

For Eligible Shareholders with an Australian bank account, you may apply for Shares under the Offer by making a BPAY® payment on the internet or by telephone by using the personalised customer reference number shown on the offer website and your Application Form which is required to identify your holding.

If you are paying for Shares via BPAY® you do not need to return your Application Form, but are taken to make the certifications and representations described in these Terms and Conditions and the Application Form. However, Custodians applying for Beneficiaries must still complete and return a Custodian Certificate.

Payment must be received by no later than the Closing Date. You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® are received by the Closing Date.

Option 2 – Payment by cheque, bank draft or money order

If you are paying for Shares by cheque, bank draft or money order, please complete and return your Application Form, together with your cheque, bank draft or money order for \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000, by no later than the Closing Date (5.00pm (AEDT) on Tuesday, 13 December 2022), to:

Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001

Cheques, bank drafts and money orders must be made payable in Australian dollars to '**PolyNovo Limited**', crossed 'Not Negotiable' and must be drawn on an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account, as cheques, bank drafts and money orders received may not be re-presented and may result in your application being rejected.

6.2 Further information

For the avoidance of doubt, applications must be received by the Closing Date. Applications received after that time will not be accepted.

Eligible Shareholders may apply for Shares under the Offer in parcels valued at \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000 or \$30,000.

In the absence of a scale back in accordance with section 7 below, PolyNovo will divide the application money of an Eligible Shareholder by the Issue Price in order to determine the number of Shares for which they have applied (rounded down to nearest whole number of Shares).

If PolyNovo receives an amount that does not equal one of the amounts specified above, the Company may either:

- (a) reject the application and refund in full the application money (without interest) to the Eligible Shareholder; or
- (b) apply the dollar amount of the payment to the highest designated parcel that is less than the amount of the payment and refund the excess application money (without interest) to the Eligible Shareholder.

If you have more than one holding of Shares and consequently receive more than one Application Form, when applying for Shares in respect of one of those shareholdings you must only use the customer reference number specific to that shareholding as set out in the relevant Application Form. Do not use the same customer reference number for more than one of your shareholdings. This can result in your application monies being applied to your application in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

If one or more Application Forms are received under the Plan from an Eligible Shareholder in relation to Shares with a value greater than \$30,000 in any 12 month period, the Shareholder will be issued with the maximum number of Shares permitted by the Plan and the terms of the Offer. Any excess subscription monies will be refunded to the Eligible Shareholder (without interest) as soon as reasonably practicable following allocation.

If an Eligible Shareholder subscribes for an amount which is not exactly divisible by the Issue Price, in calculating the number of Shares to be issued, all fractional entitlements will be rounded down to the nearest whole number of Shares. PolyNovo will not refund any resulting small excess in subscription monies (ie. \$5 or less) which will be deemed to form part of the aggregate issue price for the Shares.

Payments must be made in Australian dollars.

Applications and payments may not be withdrawn or revoked.

6.3 Board discretion

Notwithstanding any other provision of these Terms and Conditions, the Board may, at its absolute discretion, accept, reject, correct or amend your application for Shares under the Offer, including, without limitation, if:

- (a) the Board decides to accept oversubscriptions under the Plan in excess of the current limit of \$17 million to ensure all Eligible Shareholders have a reasonable opportunity to participate in the Plan;

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- (b) the Company considers that the application (whether alone or in conjunction with other applications) does not comply, or it is not reasonably satisfied that the application (whether alone or in conjunction with other applications) complies, with the requirements of *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* or any other requirements in the ASX Listing Rules or the Act;
- (c) the Application Form is incomplete, incorrectly filled out or accompanied by a cheque, bank draft or money order which is not paid in full on first presentation;
- (d) an application is received after the Closing Date;
- (e) an application is made by a Custodian and does not include the required Custodian Certificate;
- (f) the BPAY® payment received in respect of your application is for less than the full, requisite amount; or
- (g) the Board is not reasonably satisfied that you are an Eligible Shareholder.

7. Oversubscription or Scale back

The amount that each Eligible Shareholder can apply for under the Plan is capped at \$30,000.

The Plan aims to raise a maximum of approximately \$17 million, subject to the Board's discretion to increase this maximum amount in its sole and absolute discretion.

Subject to complying with applicable laws and *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*, PolyNovo reserves the right to close the Offer early or to scale back applications in its sole and absolute discretion. The aggregate maximum number of Shares that will be issued under the Plan will not exceed the lesser of:

- (a) 30% of the Shares on issue (being the applicable maximum specified in Exception 5 in ASX Listing Rule 7.2); and
- (b) the number such that the total amount raised by the issue of the Shares under the Offer equals \$17 million, subject to the Board's discretion to increase this amount in its sole and absolute discretion.

If applications from Eligible Shareholders for participation in the Plan in aggregate exceed this limit or any lower limit determined by the Board, the Board has reserved the right to accept oversubscriptions under the Plan to ensure all Eligible Shareholders have a reasonable opportunity to participate in the Plan.

If the Board elects to accept oversubscriptions under the Plan in excess of \$17 million to ensure all Eligible Shareholders have a reasonable opportunity to participate, it is the Board's intention that any oversubscription arrangements will be made having regard to the pro-rata shareholdings of Eligible Shareholders as at the Record Date who apply for Shares under the Plan.

Similarly, the Board retains the discretion to scale back applications including but not limited to applications in excess of \$17 million to the extent and in the manner that the Board considers appropriate. Should any scale back be necessary, it is the Company's intention that any scale back arrangements will be made having regard to the pro rata shareholdings of Eligible Shareholders who apply for Shares under the Offer.

If there is a scale-back, Eligible Shareholders may receive less Shares than the number of Shares for which they applied. If a scale-back produces a fractional number of Shares when applied to a particular parcel, the number of Shares allocated to an Eligible Shareholder will be rounded down to the nearest whole number of Shares.

In the event of a scale back, the difference between the application monies received, and the number of Shares allocated to you under the Offer multiplied by the Issue Price, will be refunded to you, without interest, as soon as reasonably practicable following allocation.

8. Issue of Shares

PolyNovo intends to issue Shares pursuant to the Offer on the Issue Date, Tuesday, 20 December 2022.

All Shares issued under the Plan will rank equally in all respects with all other Shares on issue as at the date of issue and will carry the same voting rights, dividend rights and other entitlements as those Shares.

PolyNovo will apply for Shares issued under the Plan to be quoted on ASX. It is expected that they will be quoted on ASX shortly after the Issue Date.

PolyNovo will, within the period required by the ASX Listing Rules, send Eligible Shareholders, whose application has been accepted by the Board, a holding statement in respect of any Shares issued to them under the Plan.

9. Shortfall

The Plan is not underwritten.

PolyNovo reserves its right to place any shortfall under the Plan at a price not less than the Issue Price in accordance with its share issue capacity under the ASX Listing Rules or with the approval of shareholders in accordance with the ASX Listing Rules.

10. Key risks

There are a number of general and specific risks which may affect the future operating and financial performance and financial position of PolyNovo along with the trading price of the Shares and dividends (if any) paid on them in the future. These risks are identified on pages 25 to 30 (inclusive) of the Investor Presentation that was released on ASX on Tuesday, 22 November 2022 and which is available on the PolyNovo's website (<https://au.polyovo.com>). Eligible Shareholders are encouraged to read these risks carefully before deciding to apply for Shares under the Plan.

These risks are associated with an investment in Shares but are not an exhaustive list. As a Shareholder, you will continue to be exposed to such risks. There may also be additional risks and uncertainties not currently known which may have an adverse effect on PolyNovo's business and the value of the Shares. Where possible, PolyNovo will seek to minimise its exposure to, and mitigate the effects of, these risks. However, certain risks relate to matters that are outside the control of PolyNovo, and there can be no assurance that any steps that PolyNovo takes will successfully protect it from any particular risk.

The risks identified in the Investor Presentation do not take into account the investment objectives, financial situation, tax position or other circumstances of any particular Shareholder. Shareholders should have regard to their own investment objectives and financial circumstances and seek professional advice from their legal, financial or other independent adviser before determining whether or not to participate in the Plan.

11. Acknowledgements

If you apply to participate in the Offer by submitting a BPAY® payment or completing and returning the Application Form, you will be deemed to have represented on behalf of each person on whose account you are acting that:

- (a) you acknowledge that you are, and each person on whose account you are acting is, an Eligible Shareholder;
- (b) you agree that your application is made on, and you agree to be bound by, these Terms and Conditions and the terms and conditions set out in the Application Form and PolyNovo's constitution;

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- (c) you declare that all details and statements in your Application Form are true and complete and not misleading;
- (d) your application is irrevocable and unconditional;
- (e) you agree that the Company may in its sole and absolute discretion scale back any application and/or participation in the Plan to the extent and in the manner it sees fit;
- (f) if there is a scale back (at the Company's sole and absolute discretion) you agree that you may receive less than the number of Shares for which you have applied;
- (g) if your application results in a fractional number of Shares, you agree that the number of Shares you will be allotted (subject to the other terms of the Offer, including in relation to any scale back) will be rounded down to the nearest whole number of Shares;
- (h) you acknowledge and agree the Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (i) you have not and will not send any materials relating to the Offer to any person in the United States or that is, or is acting for the account or benefit of a U.S. Person;
- (j) that the total of the application price for the following does not exceed \$30,000:
- (i) the Shares the subject of the application;
 - (ii) any other Shares applied for by the holder under the Plan or any similar arrangement in the 12 months before the application;
 - (iii) any other Shares which the holder has instructed a Custodian to acquire on their behalf under the Plan; and
 - (iv) any other Shares issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by the holder to the Custodian or another Custodian which resulted in the holder holding beneficial interests in the Shares;
- (k) you are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act 2001 (Cth) (insider trading) and laws and regulations designed to restrict terrorism financing and/or money laundering);
- (l) you are not a 'designated person' or 'designated entity' (or other like term) for the purpose of any domestic or international law or regulation implementing United Nations sanctions; and
- (m) you acknowledge and agree that the market price of Shares may change between the date of the Offer and the date on which Shares are issued pursuant to the Plan; and that the price you pay per Share pursuant to the Offer may exceed the market price of the Shares at the time the Shares are issued, or otherwise allocated, to you under the Offer.

12. Miscellaneous

12.1 Amendment, suspension and termination of the Plan

The Board may, in its discretion, amend, suspend or terminate the Plan at any time and adopt any administrative procedures it thinks appropriate in relation to the Plan. PolyNovo will notify ASX of any amendment, suspension or termination of the Plan, but failure to do so will not invalidate the amendment, suspension or termination.

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Without limiting any other provision of these Terms and Conditions, the Board may vary the timetable for the Offer, including the Closing Date.

PolyNovo may issue to any person fewer Shares than subscribed for under the Plan (or none at all), including, if PolyNovo believes that the issue of those Shares would contravene any law (in any jurisdiction) or the rules of any financial market on which Shares are quoted.

12.2 Administration and Dispute Resolution

PolyNovo's principal objective in administering the Plan is to facilitate participation consistent with compliance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* and all applicable laws and efficient administrative practices. The Board may adopt any administrative procedures it thinks appropriate (from time to time) in relation to the Plan.

PolyNovo may settle, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise under or in connection with the operation of the Plan, whether generally or in relation to any participant or class of participants, offer, application or Shares, and the decision of PolyNovo shall be conclusive and binding on all participants and other persons to whom the determination relates.

PolyNovo reserves the right to waive compliance with any provision of these Terms and Conditions.

12.3 Notices

Notices and statements to Eligible Shareholders may be given in any manner determined by the Board from time to time.

12.4 Privacy

- (a) Chapter 2C of the Corporations Act requires information about Shareholders (including name, address and details of the shares held) to be included in PolyNovo's public register. If a Shareholder ceases to be a Shareholder, Chapter 2C of the Corporations Act requires this information to be retained in PolyNovo's public register. These statutory obligations are not altered by the *Privacy Act 1988* (Cth) as amended.
- (b) PolyNovo may collect personal information to process your application and implement the Plan, and to administer your shareholding.
- (c) The personal information contained on the PolyNovo register is also used to facilitate payments and corporate communications (including financial results, annual reports and other information to be communicated to Shareholders) and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.
- (d) The personal information PolyNovo collects may include your name, address, other contact details, bank account details and details of your PolyNovo shareholdings.
- (e) Shareholders who are individuals and the other individuals in respect of whom personal information is collected, as outlined above, have certain rights to access, correct or update the personal information held about them, subject to some exceptions allowed by law. Such individuals should contact Computershare Investor Services on 1300 850 505 if they wish to request access to that personal information. Reasons will be given if access is denied.
- (f) Your personal information may be disclosed to joint investors, registry, to securities brokers, to third party service providers (including print and mail service providers, technology providers, and professional advisers), and to ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom PolyNovo will disclose your personal information may be located overseas.

- (g) The main consequence of not providing the personal information outlined in clauses 12.4(a) to 12.4(d) above would be that PolyNovo may be hindered in, or prevented from, processing your application, and from conducting and implementing the Plan.
- (h) Computershare Investor Services' privacy policy is available on their website: www.computershare.com/au/privacy-policies.

12.5 No Registration in New Zealand

The Shares under the Offer are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the Offer is being made in reliance on the *Financial Markets Conduct Act 2013* (NZ) and the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ).

This document has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

12.6 No U.S. Securities Act Registration

This document does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States. The Shares have not been and will not be registered under the US Securities Act, or the securities laws of any state or other jurisdiction of the United States and may not be directly or indirectly, offered, sold or resold to:

- (a) a U.S. Person or a person acting for the account or benefit of a U.S. Person; or
- (b) a person within the United States or a person acting for the account or benefit of a person within the United States.

Because of these legal restrictions, and consistent with the representations contained in these Terms and Conditions and the Application Form, you must not:

- (c) send copies of these Terms and Conditions or any other material relating to the Offer to any person in the United States or who is, or is acting for the account or benefit of, U.S. Persons; or
- (d) submit an Application Form or make payment by BPAY® or otherwise for Shares for any person in the United States or who is, or is acting for the account or benefit of, U.S. Persons.

12.7 No Financial Product Advice

PolyNovo is not licensed to provide financial product advice in relation to the Shares offered or issued under the Plan or any other financial products. No cooling off regime applies in respect of the acquisition of Shares under the Plan (whether the regime is provided for by law or otherwise). Eligible Shareholders should obtain their own advice on whether or not to participate in the Plan.

12.8 Taxation

PolyNovo makes no representations or warranties in respect of, and accepts no responsibility for, the liability of Eligible Shareholders to pay, any tax (including income tax and withholding tax) in respect of any issue of Shares, payment or other transaction under this Plan.

12.9 Governing law

The Offer is governed by the law in force in Victoria. By accepting the Offer you submit to the non-exclusive jurisdiction of the courts of Victoria.

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13. Glossary

Capitalised terms in these Terms and Conditions have the meaning set out below unless the context otherwise requires.

Application Form	means the personalised application form enclosed with these Terms and Conditions.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited or its financial market, the Australian Securities Exchange, as the context requires.
ASX Listing Rules	means the listing rules of ASX as they are amended from time to time.
Beneficiary	means a person who resides in Australia or New Zealand for whom a Custodian (being an Eligible Shareholder) held Shares on behalf of on the Record Date, and who is not, or is not acting for the account or benefit of, a U.S. Person.
Board	means the board of directors of PolyNovo from time to time.
Computershare	means Computershare Investor Services Pty Ltd, the Company's share registrar.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Custodian	has the meaning given to that term in paragraph 4 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> and applies where that entity acts on behalf of more than one registered Beneficiary.
Custodian Certificate	means a certificate complying with paragraph 8 of <i>ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547</i> .
Eligible Shareholder	has the meaning given to that term in section 2 of these Terms and Conditions.
Issue Price	has the meaning given to that term in section 4 of these Terms and Conditions.
Offer	means the offer of Shares under the Plan to Eligible Shareholders.
Parcel	A parcel of Shares in respect of an amount of \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000, at the Issue Price.
Plan	means the share purchase plan which is the subject of these Terms and Conditions.
PolyNovo or Company	PolyNovo Limited ACN 083 866 862.
Share	means a fully paid ordinary share in the capital of PolyNovo.
Shareholder	means a holder of one or more Shares.
Terms and Conditions	means these terms and conditions.
U.S. Person	has the meaning given in section 2 of these Terms and Conditions.

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For all enquiries:

Phone:



(within Australia) 1300 850 505
(outside Australia) +61 3 9415 5000

Web:



www.computersharecas.com.au/pnvspp

PNV

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Make your payment:



See overleaf for details of the Offer and how to make your payment

Share Purchase Plan Application Form

 **Your payment must be received by 5.00pm (AEDT) Tuesday, 13 December 2022**

This is an important document that requires your immediate attention.

It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

By making payment you agree to be bound by the Constitution of PolyNovo Limited and that the submission of this payment constitutes an irrevocable offer by you to subscribe for PolyNovo Limited shares on the terms of the Share Purchase Plan (SPP).

In addition, by making payment you certify that:

- You are not applying for New Shares with an application price of more than \$30,000 under the Offer (including by instructing a Custodian to acquire New Shares on your behalf under the Offer); and
- The total of the application price does not exceed \$30,000 in relation to:
 - the New Shares that are the subject of this application; and
 - any other Shares issued to you under the Offer or any similar arrangement in the 12 months before the application (excluding Shares applied for but not issued).

Step 1: Registration Name & Offer Details

Details of the shareholding and the Offer are shown overleaf.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Make Your Payment

Your payment must correspond to one of the options detailed overleaf. You may choose one option only. Note that the amount chosen may be subject to scale back in accordance with the terms of the SPP.

PolyNovo Limited may make determinations in any manner it thinks fit, in relation to any difficulties which may arise in connection with the SPP whether generally or in relation to any participant or application.

Any determinations by PolyNovo Limited will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates. PolyNovo Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions or to suspend or terminate the SPP at any time. Any such amendment, suspension or termination will be binding on all Eligible Shareholders even where PolyNovo Limited does not notify you of that event.

Choose one of the payment methods shown below.

BPAY®: See overleaf. Do not return the payment slip with BPAY payment.

By Mail: Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque, bank draft or money order payable in Australian dollars to "**PolyNovo Limited**" and cross "**Not Negotiable**". The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques received may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the payment slip. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.


Share Purchase Plan Application Form

X 9999999991

IND

STEP 1

Registration Name & Offer Details

 For your security keep your SRN/
HIN confidential.

Registration Name: MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000

Entitlement No: 12345678

Offer Details: Record date: **7.00pm (AEDT) Monday, 21 November 2022**

Minimum value available to purchase: **\$1,000**


Maximum value available to purchase: **\$30,000**

STEP 2

Make Your Payment by 5.00pm (AEDT) Tuesday, 13 December 2022


To avoid postal delay make your payment via **BPAY** either online or by phone with your bank using the payment details below.

BPAY

	Biller Code: 389809 Ref No: 1234 5678 9123 4567 89
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Contact your financial institution to make your payment from your cheque or savings account.

Cheque, bank draft or money order

 Make your cheque, bank draft or money order payable to "**PolyNovo Limited**" and cross "**Not Negotiable**".

Return your payment with the below payment slip to:
Computershare Investor Services Pty Limited
GPO BOX 505 Melbourne Victoria 3001 Australia

BPAY

Neither Computershare Investor Services Pty Limited (CIS) nor PolyNovo Limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time. Eligible Shareholders should use the customer reference number shown on this Application Form when making a BPAY payment.

MAIL

Neither CIS nor PolyNovo Limited accepts any responsibility if you lodge the payment slip below at any other address or by any other means.

Privacy Notice

The personal information you provide on this form is collected by CIS, as registrar for the securities issuer (the **issuer**), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at www.computershare.com/au/privacy-policies.

Detach here

Purchase Details for PolyNovo Limited (choose one option)

<input type="checkbox"/> \$1,000 worth of New Shares	OR	<input type="checkbox"/> \$2,500 worth of New Shares	OR	<input type="checkbox"/> \$5,000 worth of New Shares
<input type="checkbox"/> \$10,000 worth of New Shares	OR	<input type="checkbox"/> \$15,000 worth of New Shares	OR	<input type="checkbox"/> \$20,000 worth of New Shares
<input type="checkbox"/> \$25,000 worth of New Shares	OR	<input type="checkbox"/> \$30,000 worth of New Shares		



Entitlement No: 12345678

MR SAM SAMPLE
123 SAMPLE STREET
SAMPLETOWN VIC 3000



BPAY is the most efficient and secure form of payment. Your BPAY payment details are shown above.

Contact & Cheque Details

Contact Name _____ Daytime Telephone _____

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$

123456789123456789+000000001-3051+14