

## Board and Management Changes, Expenditure Reductions and R&D TI Loan

### Key Points

- **Redundancy of all employee positions, including CEO and MD**
- **Other expenditure also significantly reduced, whilst preserving the Company's intellectual property**
- **Loan of \$600,000 secured against assets including 2026 financial year R&D TI Rebate**
- **Proforma cash balance of \$1.5m, with further R&D TI Rebate payment of >\$1m anticipated**
- **Cash runway extended beyond end of 2027 financial year**

**Melbourne, Australia; 6 July 2026:** Cynata Therapeutics Limited (ASX: "CYP", "Cynata", or the "Company"), a clinical-stage biotechnology company specialising in cell therapeutics, announces substantial reductions in expenditure, including Board and Management changes, and the establishment of a Research and Development Tax Incentive (**R&D TI**) loan facility.

### **Redundancies, including CEO and Managing Director, and Board rationalisation**

The Board has resolved to make all of the Company's employee positions redundant. This includes the position of Chief Executive Officer and Managing Director and other key management personnel positions (Chief Medical Officer and Chief Business Officer), which have been made redundant effective today, 6 July 2026.

The Company will now be managed by the Board of Directors, who will reduce in number, until further notice. Dr Darryl Maher has resigned as a Director with immediate effect. Dr Kilian Kelly, who previously held the position of CEO and Managing Director, has agreed to remain on the Board as a Non-Executive Director, without remuneration. All other members of the Board have also agreed to waive their Director's fees, effective 1 July 2026.

### **Other reductions in expenditure**

As announced on 17 June 2026, the Phase 2 graft versus host disease (GvHD) trial has been terminated. The Company immediately served notice to terminate agreements with service providers working on this trial, most notably the Contract Research Organisation that was primarily responsible for managing it. Close-out activities are now underway and are expected to be completed this quarter.

The Company has also suspended or terminated other outsourced activities to the maximum extent possible, whilst preserving the Company's intellectual property.

### **R&D Tax Incentive Loan Facility**

The Company has entered into an R&D TI loan facility with a commercial lender.

The loan is for a total of \$600,000 and is secured against the Company's anticipated R&D TI rebate for the 2026 financial year, which is expected to be approximately \$1.7m, along with a general security interest over the Company's assets. The loan provides the Company additional funding headroom pending receipt of the R&D TI (see further below under "Cash position"). The loan is subject to a non-material establishment fee and interest charged at a commercial rate typical of facilities of this nature. The loan must be repaid in full on the earlier of the receipt of the R&D TI rebate for the 2026 financial year, or the maturity date. The initial maturity date is 30 September 2026, extendable by agreement with the lender.

## Cash position

The Company ended the 2026 financial year with ~\$0.9m in cash, giving a proforma cash balance of \$1.5m following receipt of the R&D TI loan. The Company anticipates receiving a further payment of more than \$1m (after costs) once the R&D TI rebate is paid.

As a result of the cost-cutting measures outlined above, the Company's anticipated cash burn has reduced to approximately \$2.3m for the entire 2027 financial year. This includes employee termination payments of ~\$700k and close-out costs for the GvHD trial of ~\$1.1m. The remainder of the Company's forecast expenditure is made up of costs associated with maintaining intellectual property rights, storage of product, fulfilling regulatory obligations and corporate costs including ASX listing fees, share registry fees, accounting and audit expenses. The Company's forecast cash runway now extends beyond the end of the 2027 financial year.

## Next steps

The Board is continuing to evaluate a number of options for further development of the Cymerus™ technology and for next steps for the Company more broadly. The Board will update shareholders on these matters as soon as possible.

### Dr Geoff Brooke, Chair of Cynata's Board, said:

*"This has been an extremely difficult period for the Company and its shareholders, and more broadly we recognise the impact this has had on all our stakeholders. I extend my thanks and appreciation to the staff who have worked tirelessly for many years on the development of the Cymerus™ technology, and I wish each of them the very best for the future. I also thank Dr Maher for his contribution since joining the Board in 2020. The disappointing clinical trial results do not reflect the professionalism and diligence that the Cynata team has displayed. I would also like to thank all of our shareholders who have supported the Company, some for a long period of time. The Board remains committed to pursuing all available opportunities and taking the actions necessary to position the Company for future success."*

**-ENDS-**

**Authorised for release by the Board of Directors**

**CONTACT:** [investors@cynata.com](mailto:investors@cynata.com)

### 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 and limitations of conventional MSC production by using induced pluripotent stem cells (iPSCs) to achieve economic manufacture of cell therapy products, including mesenchymal stem cells (MSCs), at commercial scale without the necessity to obtain tissue from multiple donors on an ongoing basis, and without the complexity and product inconsistency resulting from conventional methods.

**Cynata Therapeutics encourages all current investors to go paperless by registering their details with the designated registry service provider, [Automic Group](#).**