ASX ANNOUNCEMENT **27 October 2026**

September 2026 Quarterly Activity Report

Melbourne, Australia; 27 October 2026: Cynata Therapeutics Limited (ASX: "CYP", "Cynata", or the "Company"), provides its Quarterly Activity Report for the three-month period ended 30 September 2026.

Corporate Updates

On 6 July 2026, the Company announced substantial reductions in expenditure, including Board and Management changes, and the establishment of a Research and Development Tax Incentive (R&D TI) loan facility (see below under Finance). The key changes were as follows:

- All of the Company's employee positions were made redundant, including the position of Chief Executive Officer and Managing Director.
- Dr Darryl Maher resigned as a Director.
- The Company is now being managed by the Board of Directors. Dr Kilian Kelly, who previously held the position of CEO and Managing Director, remains on the Board as a Non-Executive Director. All Non-Executive Directors' fees have been waived for the period 1 July-31 October 2026.
- The Company has also terminated agreements with service providers working on the Phase 2 aGvHD trial, and suspended or terminated other outsourced activities to the maximum extent possible, whilst preserving the Company's intellectual property.

Subsequent to the quarter end, on 22 October 2026, the Company announced that Dr Paul Wotton will resign as a Director, effective from the conclusion of the Company's Annual General Meeting (AGM) on 25 November 2026.

Finance

The Company closed the quarter with $175k in cash.

On 6 July 2026, the Company announced that it had entered into a Research and Development Tax Incentive (R&D TI) loan facility with a commercial lender, for a total of $600,000, secured against the Company's anticipated R&D TI rebate for the 2026 financial year.

Subsequent to the quarter end:

- As announced on 7 October 2026, the Company received a $1.694m R&D Tax Incentive Refund for the 2026 financial year. The R&D TI loan was fully repaid on the same date, and the Company no longer has any obligations to the lender. The net proceeds from the R&D TI refund, after repayment of the loan, were $1.067m.
- As announced on 8 October 2026, the Company is undertaking a three-for-eight fully underwritten pro-rata renounceable entitlement offer to raise approximately $913k (before costs), and establishing an Unmarketable Parcel Sale Facility, under which parcels of fully paid ordinary shares in CYP with a market value of less than A$500 on the relevant record date may be sold without brokerage fees.
- As announced on 8 October 2026, the Company gave notice to terminate its At-the-Market Subscription Deed with Acuity Capital, with effect from 14 October 2026.

Net operating cash outflows for the quarter totalled $1.316m. In item 6 of the Appendix 4C cash flow report for the quarter, payments to related parties of approximately $273k consisted of salary and termination payments to the former Managing Director.

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In accordance with ASX rules, the "Estimated quarters of funding available" reported in item 8.5 of the Appendix 4C is calculated by dividing the Company's cash balance at the end of the quarter by the net operating cash outflows in the previous quarter, and the result of this calculation is 0.13 quarters of funding available. However, as outlined above, the Company has now substantially reduced its expenditure, and a number of one-off payments were incurred during the quarter, which means that the net operating cash outflows in the previous quarter are not indicative of future cash outflows.

As a result of the cost-cutting measures outlined above, as well as the expected funds raised from the entitlement offer, the Company anticipates that its cash runway will extend into the 2028 financial year.

Outlook

The Company's core asset is currently the Cymerus™ platform, which offers a genuinely differentiated approach to manufacturing mesenchymal stromal cells (MSCs) at commercial scale from a single, consistent cell source.

Subsequent to the announcement of the Phase 2 acute graft versus host disease (aGvHD) Trial primary evaluation results (17 June 2026) and CYP-004 osteoarthritis trial results (19 June 2026), the Board is now focused on evaluating the future development pathways available for this technology, and the broader strategic options open to the Company. This includes seeking opportunities to realise value from the Cymerus™ technology and obtain rights to new assets.

-ENDS-

Authorised for release by the Board of Directors

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About Cynata Therapeutics (ASX: CYP)

Cynata Therapeutics Limited's (ASX: CYP) core asset is currently the Cymerus™ platform, which offers a genuinely differentiated approach to manufacturing mesenchymal stromal cells at commercial scale from a single, consistent cell source. The Board is now focused on evaluating the future development pathways available for this technology, and the broader strategic options open to the Company. This includes seeking opportunities to realise value from the Cymerus™ technology and obtaining rights to new assets.

Cynata Therapeutics encourages all current investors to go paperless by registering their details with the designated registry service provider, Automic Pty Ltd.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

CYNATA THERAPEUTICS LIMITED

ABN	**Quarter ended ("current quarter")**
98 104 037 372	30 SEPTEMBER 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(334)	(334)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(18)	(18)
	(d) leased assets (including premises)	-	-
	(e) staff costs	(823)	(823)
	(f) administration and corporate costs	(143)	(143)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,316)**	**(1,316)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	600	600
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(6)	(6)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**594**	**594**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	897	897
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,316)	(1,316)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	594	594

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**175**	**175**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	175	897
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**175**	**897**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	273
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	600	600
7.2	Credit standby arrangements	-	-
7.3	Other (At-the-Market Facility)	6,296	-
7.4	**Total financing facilities**	6,896	600

7.5	**Unused financing facilities available at quarter end**	6,296

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

7.1: Short term loan facility with a commercial lender against the anticipated R&D Tax Incentive Rebate for FY2026. The loan facility has an establishment fee of 1%, bears interest of 1.38% per month with a repayment date which is earlier of the date of receipt of the 2026 R&D Tax Incentive from the Australian Taxation Office and 30 November 2026. On 7 October 2026, Cynata repaid the loan and interest and has no further obligations to the lender.

7.3: At-the-Market Subscription Agreement (ATM) with Acuity Capital. The ATM provides Cynata with up to $7,500,000 of standby equity capital up to 31 July 2030. There are no requirements on Cynata to utilise the ATM and Cynata may terminate the ATM at any time, without any cost or penalty. Additionally, Acuity Capital is not obliged to subscribe for shares if or when requested by Cynata. Consequently, this facility has not been included in item 8.3 below. The Company has already utilised the ATM to raise $1,204,000 through the set-off of 4,300,000 fully paid ordinary Cynata shares previously issued to Acuity Capital. On 8 October 2026, the Company terminated the ATM with Acuity Capital.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,316)
8.2	Cash and cash equivalents at quarter end (item 4.6)	175
8.3	Unused finance facilities available at quarter end (item 7.5)	(see item 7.6)
8.4	Total available funding (item 8.2 + item 8.3)	175

8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	0.13

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

No. During the quarter ended 30 September 2026, the Company made all its employee positions redundant. This included the position of CEO and MD and other key management personnel positions (Chief Medical Officer and Chief Business Officer). Dr Maher resigned as a director during the September 2026 quarter and all other members of the board agreed to waive their director's fees, effective 1 July 2026. The Company also suspended and/or terminated other outsourced activities to the maximum extent possible.

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8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

During the quarter ended 30 September 2026, the Company entered into a Research and Development Tax Incentive (R&D TI) loan facility of $600,000 with a commercial lender. Subsequent to the quarter ended 30 September 2026, the Company announced a fully underwritten renounceable entitlement offer to raise approximately $913,000 (before costs).

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Yes, based on 8.6.1 and 8.6.2 above.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 27 October 2026

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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