



## Scheme Booklet for Proposed Redomiciliation to the United States

May 13, 2020

**NOTICE IS GIVEN OF A SCHEME MEETING TO BE HELD ON 15 JUNE 2020 COMMENCING AT 9.00AM (AEST) (WHICH CORRESPONDS TO 7.00PM ON 14 JUNE 2020 IN WILMINGTON IN THE STATE OF DELAWARE IN THE UNITED STATES OF AMERICA) BY WAY OF LIVE WEBCAST**

- The purpose of this Scheme Booklet is to provide information to the shareholders of AVITA Medical Limited (the **Company**) in connection with seeking the approval of shareholders of a scheme of arrangement under which the Company will become a wholly owned subsidiary of AVITA Therapeutics, (**Avita US**) and consequently the Avita Group will be redomiciled from Australia to the United States.
- Under the proposed scheme of arrangement:
  - a newly-formed company, Avita US, recently incorporated in the United States, will become the new holding company of the Company;
  - shareholders will effectively exchange their shares in the Company for equivalent securities in Avita US; and
  - the existing listing of the Company on the ASX (as its primary listing) and on NASDAQ (as its secondary listing) will be replaced with a new listing of Avita US on NASDAQ (as its primary listing) and on the ASX (as its secondary listing).
- This Scheme Booklet comprises:
  - an explanatory statement required by section 412(1) of the *Corporations Act 2001* (Cth) of Australia (**Corporations Act**) in relation to the scheme of arrangement; and
  - an information memorandum for the listing of Avita US on the

**DIRECTORS OF THE COMPANY UNANIMOUSLY RECOMMEND THAT SHAREHOLDERS VOTE IN FAVOUR OF THE SCHEME RESOLUTION AT THE SCHEME MEETING**

**THE INDEPENDENT EXPERT HAS CONCLUDED THAT THE SCHEME IS IN THE BEST INTERESTS OF SHAREHOLDERS AS A WHOLE**

This is an important document and requires your immediate attention.

You should read the whole of this document carefully (taking notice of the advantages, disadvantages and risks of the proposal) before you decide whether and how to vote on the Scheme Resolution. If you are in doubt as to what you should do, please consult your financial, legal, taxation or other independent and qualified professional adviser. If you have recently sold all of your shares in the Company, please ignore this document.

A notice for the Scheme Meeting is included as Appendix F to this Scheme Booklet. A Proxy Form for the Scheme Meeting also accompanies this Scheme Booklet.

### DISCLAIMER AND IMPORTANT NOTICES

#### General

This Scheme Booklet is important. You should read this Scheme Booklet and the accompanying appendices in its entirety before making a decision as to how to vote at the Scheme Meeting. If you are in doubt as to what you should do, you should consult your financial, legal, taxation or other

independent and qualified professional adviser.

An electronic version of this Scheme Booklet is available for viewing and downloading online on the Company's website ([www.avitamedical.com](http://www.avitamedical.com)) and on the ASX website ([www.asx.com.au](http://www.asx.com.au)).

## **Defined terms and interpretation**

Capitalised terms used in this Scheme Booklet are defined in the Glossary set out in section 13 of this Scheme Booklet.

## **Purpose of the Scheme Booklet**

The purpose of this Scheme Booklet is to:

- explain the terms of the Proposed Transaction and the manner in which the Proposed Transaction will be considered and, if approved, implemented;
- set out certain information required by law; and
- provide all other information (other than information previously disclosed to Shareholders) which is known to the Company and which is material to the decision of Shareholders whether or not to vote in favour of the Scheme

This Scheme Booklet is the explanatory statement for the Scheme required by section 412(1) of the Corporations Act.

This Scheme Booklet is also an information memorandum for the purposes of the listing of Avita US on the ASX and the official quotation of Avita US CDIs on the ASX (to replace both the current listing of the Company on the ASX and official quotation of Shares on the ASX).

This Scheme Booklet will also be furnished to the SEC on a Form 6-K.

This Scheme Booklet is **not** a prospectus lodged under Chapter 6D of the Corporations Act in respect of the Company's or Avita US's securities. Section 708(17) of the Corporations Act provides that an offer of securities does not need disclosure under Chapter 6D if it is made under a compromise or arrangement under Part 5.1 of the Corporations Act approved at a meeting held as a result of an order made by the Court under section 411(1) or section 411(1A) of the Corporations Act.

## **Foreign Jurisdictions**

The release, publication or distribution of this Scheme Booklet in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside of Australia who come into possession of this Scheme Booklet should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Scheme Booklet has been prepared in accordance with the laws of the Commonwealth of Australia and the information contained in this Scheme Booklet may not be the same as that which would have been disclosed if this Scheme Booklet had been prepared in accordance with the laws and regulations of a jurisdiction outside of Australia.

No action has been taken to register or qualify the Avita US Shares or the Avita US CDIs or otherwise permit a public offering of such securities in any jurisdiction outside Australia.

Shareholders (whose addresses as shown in the Register on the Record Date are) in the following jurisdictions will be entitled to have Avita US Shares or Avita US CDIs issued to them under and in accordance with the Scheme (subject to the Sale Facility aspect of the Proposed Transaction dealing with Fractional Shareholder Interests discussed at section 2.8 and section 11.5 of this Scheme Booklet and any qualifications set out in section 12.10 of this Scheme Booklet in respect of those jurisdictions):

- Australia;
- the United States;
- Hong Kong;
- New Zealand;
- the United Kingdom;
- France;
- Norway;
- Switzerland;
- the United Arab Emirates;
- Singapore; and

- any other jurisdiction in respect of which the Company is satisfied, acting reasonably, that the laws of that place permit the offer and issue of Avita US Shares or Avita US CDIs to a Shareholder in that jurisdiction and, in Avita US's sole discretion, it is not unduly onerous or impractical for Avita US to issue Avita US Shares or Avita US CDIs to a Shareholder with a registered address in that

Nominees, custodians and other Shareholders who hold Shares on behalf of a beneficial owner resident outside of the jurisdictions referred to above may not forward this Scheme Booklet (or any accompanying documents) to any such persons without the prior written consent of the Company.

Shareholders who are Ineligible Shareholders will not be issued Avita US Shares or Avita US CDIs. Instead,

the Avita US Shares or Avita US CDIs that would otherwise have been issued to them under the Scheme will be issued to the Sale Agent (acting on behalf of Avita US) to be dealt with in accordance with the process outlined in section 11.5 of this Scheme Booklet.

#### **Investment decisions**

This Scheme Booklet is not personal to you and therefore does not take into account your individual investment objectives, financial situation or any particular needs. The information in this Scheme Booklet is not financial product advice and should not be relied upon as the sole basis for any investment decision in relation to the Proposed Transaction and your Shares.

Before making any investment decision, you should carefully consider whether that decision is appropriate in light of your particular investment needs, objectives and financial circumstances. The Board encourages you to seek professional guidance from your financial, legal, taxation or other independent and qualified professional adviser before making any investment decision and any decision as to whether or not to vote in favour of the Scheme Resolution.

#### **Responsibility statement**

The information contained in this Scheme Booklet has been prepared by the Company. The Company takes responsibility for the content of this Scheme Booklet, other than:

- the Independent Expert's Report in relation to the Proposed Transaction (contained in Appendix A to this Scheme Booklet), which has been prepared by BDO Corporate Finance Limited (Australian Financial Services Licence number 245513) (who takes responsibility for that report). Neither the Company, Avita US, nor any of their respective directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of the Independent Expert's Report; and
- the information relating to Avita US, which has been prepared by, and is the responsibility of, Avita US. Neither the Company nor any of its subsidiaries, directors, officers, employees or advisers assumes any responsibility for the accuracy or completeness of such

#### **Role of ASIC, ASX and NASDAQ**

A copy of this Scheme Booklet has been given to ASIC pursuant to section 411(2) of the Corporations Act and registered with ASIC pursuant to section 412(6) of the Corporations Act. ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that it has no objection to the Scheme. If ASIC provides the statement, then it will be produced to the Court at the time of the Second Court Hearing.

A copy of this Scheme Booklet has been lodged with the ASX. Avita US will also progress an application for Avita US to be listed on the ASX and for Avita US CDIs to be admitted to quotation and traded on the ASX. The listing of Avita US on the ASX will be subject to Avita US fulfilling all of the listing requirements of the ASX.

The Company will submit a company event form to NASDAQ for review in connection with the Company's request to transfer the listing of the Company ADSs and quote the Avita US Shares on NASDAQ. The request to transfer the listing of the Company ADSs and quote the Avita US Shares on NASDAQ will be subject to Avita US fulfilling all of the listing requirements of NASDAQ.

Neither ASIC, the ASX, NASDAQ nor any of their officers or employees takes any responsibility for the contents of this Scheme Booklet.

#### **Role of the Court**

The fact that the Court, under section 411(1) of the Corporations Act, has ordered that the Scheme Meeting be convened and has approved this Scheme Booklet to accompany the Notice of Meeting, does not constitute an endorsement by the Court of, or any expression of opinion on, the Scheme or the Proposed Transaction. Nor does it mean that the Court has prepared, or is responsible for, the content of this Scheme Booklet.

If Shareholders approve the Scheme at the Scheme Meeting, the Court will be asked to approve the Scheme at the Second Court Hearing.

Any Shareholder may appear at the Second Court Hearing, expected to be held at the Court on 22 June 2020, Law Courts Building, 184 Phillip Street, Sydney NSW 2000. Any change to this date or arrangements for the conduct of the hearing will be announced to the ASX and NASDAQ and via news release, and will also be notified on the Company's website ([www.avitamedical.com](http://www.avitamedical.com)). Any Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on the Company a notice of appearance in the prescribed form, together with any affidavit that the Shareholder proposes to rely on.

## Privacy and personal information

Avita US, the Company and their respective registries may collect personal information, including from each other, in the process of implementing the Proposed Transaction and administering the holdings of securities arising from the Proposed Transaction.

The personal information collected by Avita US, the Company and their respective registries may include name, address, contact information, bank account information, security holding and other personal information (including the names of individuals appointed by the Shareholders as proxies, attorneys and corporate representatives at the Scheme Meeting).

The personal information may be collected from you as a Shareholder or as a representative / proxy / attorney of a Shareholder. You may be requested to disclose your personal information to Avita US, the Company and their respective registries in a document or orally. Shareholders who appoint an individual as their proxy, attorney or corporate representative to vote at the Scheme Meeting should inform that individual of the matters outlined in this privacy notice.

By completing a form with your personal information or orally disclosing your personal information to the Company, you consent to the collection, use and disclosure of your personal information by Avita US, the Company and their respective registries for the primary purpose of responding to your queries, implementing the Proposed Transaction and administering the holdings of securities arising from the Proposed Transaction (including carrying out appropriate administration of the Proxy Form and dealing with any requests you may have), and in accordance with this privacy notice.

The personal information collected by Avita US, the Company and their respective registries may be disclosed between them (which may include overseas disclosures through the United States), to the Authorised Nominee, to securities brokers, to print and mail service providers, to any other service providers and advisers engaged by the Company, Avita US or their respective registries for this purpose and to any other third party permitted by law. The personal information of Ineligible Shareholders and Fractional Shareholders may also be disclosed to the Sale Agent for the purposes of operating the Sale Facility.

If the information outlined above is not collected, the Company may be hindered in, or prevented from, conducting the Scheme Meeting and implementing the Proposed Transaction. You may have certain rights to access or correct personal information collected about you. You may contact the respective registries of Avita US and the Company in the first instance if you wish to understand and/or exercise those rights, or to discuss any query you may have in relation to the collection of your personal information.

You may contact the Registry on 1300 113 256 (within Australia) or +61 3 9415 4090 (outside Australia) or the

Avita US Registry on +1 866 644 4127 (toll free) or +1

781 575 2906.

Collection, maintenance and disclosure of personal information may be governed by the *Privacy Act 1988* (Cth), the Corporations Act (as applicable) and certain rules such as the ASX Settlement Operating Rules (where applicable).

For further information about how:

- the Company handles your personal information, please read the Company's Privacy Policy ([avitamedical.com/privacy-policy](http://avitamedical.com/privacy-policy));
- Computershare handles your personal information, please read Computershare's Privacy Policy ([computershare.com/au/help/Pages/privacy-policies.aspx](http://computershare.com/au/help/Pages/privacy-policies.aspx)) or contact its Privacy Officer at [privacy@computershare.com.au](mailto:privacy@computershare.com.au); and
- Computershare Trust Company, N.A. Transfer Agent and Registrar handles your personal information, please read Computershare Trust Company, N.A. Transfer Agent and Registrar's Privacy Policy

([www.computershare.com/us/privacy](http://www.computershare.com/us/privacy))

## Estimates and rounding

Unless otherwise indicated, all references to estimates (and derivations of the same) in this Scheme Booklet are references to estimates by the Company. Each of the Directors believes that these estimates have been made on reasonable grounds and that the assumptions on which those estimates are based are reasonable. The Company's estimates are based on views at the date of this Scheme Booklet and actual facts or outcomes may differ materially.

A number of amounts, calculations of value, estimates, figures, fractions, percentages and prices in this Scheme Booklet are subject to the effect of rounding.

Accordingly, the actual calculation of these amounts, calculations of value, estimates, figures, fractions, percentages and prices may differ from the amounts, calculations of value, estimates, figures, fractions, percentages and prices set out in this Scheme Booklet.

Any discrepancies between totals in tables, or in calculations, charts or graphs, are due to rounding.

## Forward-looking statements

Certain statements in this Scheme Booklet relate to the future. These statements may include, without limitation, any statements preceded by, followed by, or including words such as "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "plan",

"project", "will", "can have", "likely", "should", "would", "could" and other words and terms of similar meaning or the negative thereof. These forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of the Avita Group to be materially different from future results, performance or achievements expressed or implied by such statements. Such forward-looking statements are based on numerous assumptions regarding present and future business strategies, an assessment of present economic and operating conditions and the environment in which the Avita Group will operate in the future, which may prove to be incorrect. Certain important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the risk factors described in this Scheme Booklet and other unknown risks and uncertainties. Forward-looking statements should,

therefore, be construed in light of such risk factors and reliance should not be placed on forward-looking statements. Other than as required by law, neither the Company nor Avita US nor any other person gives any representation, assurance or guarantee that the occurrence of the events, results and outcomes expressed or implied in any forward-looking statements in this Scheme Booklet will actually occur. The forward-looking statements in this Scheme Booklet reflect views held only at the date of this Scheme Booklet.

Subject to the Corporations Act, the ASX Listing Rules or any other applicable laws, the Company and its Directors and officers and Avita US and its directors and officers disclaim any obligation or undertaking to disseminate, after the date of this Scheme Booklet, any updates or revisions to any forward-looking statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statements are based, other than with respect to information that the Company and Avita US respectively become aware of prior to the Scheme Meeting, which is material to the making of a decision by a Shareholder regarding whether or not to vote in favour of the Scheme Resolution.

## Timetable and dates

All times and dates referred to in this Scheme Booklet are according to Australian Eastern Standard Time (**AEST**), unless otherwise indicated. All times and dates relating to the implementation of the Proposed Transaction referred to in this Scheme Booklet may change and, among other things, are subject to receipt of all necessary approvals from regulatory authorities.

## External websites

Unless expressly stated otherwise, the content of the Company's website ([www.avitamedical.com](http://www.avitamedical.com)) does not form part of this Scheme Booklet.

## Date of this Scheme Booklet

This Scheme Booklet is dated 11 May 2020. Unless otherwise indicated, all information included in this Scheme Booklet (including views, recommendations and statements of intention) is current as at that date.

**If you have any questions in relation to the Scheme Meeting or require assistance in understanding the matters raised in this document, please contact your financial, legal, taxation or other independent and qualified professional adviser or contact the Company's enquiry line on 1300 113 256 (Australia**

**toll free) or +61 3 9415 4090 (outside Australia).**