

ASX Announcement

Rights Issue & Update on Sale of Orthopaedic Asset

SYDNEY 19 JULY 2023– Allegra Orthopaedics Limited (**Allegra**) (ASX: AMT) today announces it is undertaking a non-renounceable entitlement offer of one (1) fully paid ordinary share in the capital of the Company (**Share**) for every three (3) Shares held at an issue price of \$0.09 per Share to raise circa \$3,133,776 (before costs) (**Entitlement Offer**)

The Company intends to apply the funds raised from the Entitlement Offer (less expenses) for ongoing commercialisation activities for cervical spinal cage, general and admin costs, corporate costs, financing costs and additional working capital.

Eligible Shareholders will also have the opportunity to apply for any shortfall shares under the Entitlement Offer. Shares issued under the Entitlement Offer will rank equally with existing ordinary shares from the date of issue.

Following completion of the Offer, assuming any shortfall is subsequently placed and the full subscription is raised, the Company will have issued approximately 34,819,735 Shares resulting in total Shares on issue of 139,278,938.

The anticipated timeline for the Entitlement Offer is as follows:

Activity	Date
Announcement of the Entitlement and lodgement of Appendix 3B with ASX.	Wednesday, 19 July 2023
“Ex” Date for Entitlement Offer.	Thursday, 27 July 2023
Record Date for Entitlement Offer.	7.00 p.m. (AEST) on Friday 28 July 2023
Offer Booklet and Entitlement & Acceptance Form despatched and announced. Entitlement Offer opens.	Wednesday, 2 August 2023
Last day to extend the Closing Date.	Thursday, 17 August 2023
Closing Date of the Entitlement Offer.	5.00 p.m. (AEST) on Tuesday, 22 August 2023
Shares quoted on a deferred settlement basis.	Wednesday, 23 August 2023
Announcement of results of Entitlement Offer and under-subscriptions.	Thursday, 24 August 2023
Issue of Offer Shares under the Entitlement Offer and lodgement of Appendix 2A with ASX applying for quotation of the Shares.	12:00pm (AEST) Tuesday, 29 August 2023

Allegra Orthopaedics Limited

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The Entitlement Offer gives Eligible Shareholders with a registered address in Australia or New Zealand and who hold shares on the record date the opportunity to participate in the Entitlement Offer.

The Company also advises that, further to the ASX announcement dated 2 May 2023 and subject to all conditions precedent being satisfied or waived, the expected completion date of the sale of the Orthopaedic Division to Robinwood Investment Pty Ltd (**RIPL**), substantial shareholder and entity associated with Allegra's Non-Executive Director, Nicholas Hartnell, is now expected to occur before 31 August 2023. The Company also confirms that, as a result of a mutual agreement with between Allegra and RIPL, an amendment to the agreement has been agreed. Consequently, on completion, the Company must ensure that the minimum cost value of the inventory to be transferred to RIPL is \$3.0m (previously \$3.3m). Further, the condition precedent requiring the parties to enter into an underwriting commitment has been waived.

The sale of the Orthopaedic Division to RIPL will be put to a forthcoming shareholder meeting in August, with further details of the sale included in the Notice of Meeting.

This announcement has been authorised for release by the Board of Directors.

Contact details:

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ABOUT ALLEGRA ORTHOPAEDICS:

We aim to help bring the freedom and happiness of pain-free movement to people's lives. We achieve this through providing the best possible solutions for patients, from world-wide industry leading orthopaedic products through to Australian innovations. Allegra's principal product, the Active Total Knee, has significantly improved the quality of life for many people and remains a focused product line. Allegra is also the exclusive distributor of Waldemar Link GmbH & Co. KG products in Australia. Link consists of a range of complex lower limb, hip and knee replacements, including oncology solutions. The Link products add to Allegra's well-developed range of products for distribution from international suppliers covering all specialties from foot and ankle to upper limb. The company is pleased to continue to build upon its extensive portfolio of patents. It has strong research relationships with universities, companies and surgeon inventors.

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