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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**Form 6-K**

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16 under the Securities Exchange Act of 1934

For the month of October 2023

Commission File Number 001-37626

**Mesoblast Limited**

*(Exact name of Registrant as specified in its charter)*

**Not Applicable**

*(Translation of Registrant's name into English)*

**Australia**

*(Jurisdiction of incorporation or organization)*

**Silviu Itescu**  
**Chief Executive Officer and Executive Director**  
Level 38  
55 Collins Street  
Melbourne 3000  
Australia

*(Address of principal executive offices)*

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F:

Form 20-F  Form 40-F

**INFORMATION CONTAINED ON THIS REPORT ON FORM 6-K**

On October 30, 2023, Mesoblast Limited filed with the Australian Securities Exchange its Appendix 4G and Corporate Governance Statement, which is attached hereto as [Exhibit 99.1](#), and is incorporated herein by reference.

On October 30, 2023, Mesoblast Limited filed with the Australian Securities Exchange a Notice of Annual General Meeting, which is attached hereto as [Exhibit 99.2](#), and is incorporated herein by reference.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly organized.

Mesoblast Limited  
/s/ Niva Sivakumar

Niva Sivakumar  
*Company Secretary*

Dated: October 30, 2023

## INDEX TO EXHIBITS

Item	
<a href="#">99.1</a>	Corporate Governance Statement and Appendix 4G of Mesoblast Ltd, dated October 30, 2023
<a href="#">99.2</a>	Notice of Annual General Meeting of Mesoblast Ltd, dated October 30, 2023

## Appendix 4G

### Key to Disclosures

#### Corporate Governance Council Principles and Recommendations

Name of entity

Mesoblast Limited

ABN/ARBN

109 431 870

Financial year ended:

30 June 2023

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

- These pages of our annual report:
- This URL on our website: [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance)

The Corporate Governance Statement is accurate and up to date as at 12 October 2023 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 30 October 2023

Name of authorised officer authorising lodgement: Silviu Itescu

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>		
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://www.mesoblast.com/company/corporate-governance/role-and-composition-of-the-board">https://www.mesoblast.com/company/corporate-governance/role-and-composition-of-the-board</a>
		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/>
		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>
		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>
		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must in the location where that disclosure has been made, where indicated by the line with "insert location" underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert "our corporate governance statement". If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg "pages 10-12 of our annual report"). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg "www.entityname.com.au/corporate-governance/charters/").

<sup>5</sup> If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<p>1.5 A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: <a href="https://www.mesoblast.com/company/corporate-governance/key-policies">https://www.mesoblast.com/company/corporate-governance/key-policies</a></p> <p>and we have disclosed the information referred to in paragraph (c) at:</p> <p>..... [insert location]</p> <p>and if we were included in the S&amp;P / ASX 300 Index at the commencement of the reporting period our measurable objective for achieving gender diversity in the composition of its board of not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) at: <a href="https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters">https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters</a></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p><b>2023 Corporate Governance Statement</b></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) at:</p> <p><b>2023 Remuneration Report which is set out on pages 101 to 124 of the Form 20-F contained within Mesoblast's Annual Report 2023</b></p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process at:</p> <p><b>2023 Corporate Governance Statement</b></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	<input checked="" type="checkbox"/>  and we have disclosed a copy of the charter of the committee at: <a href="https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters">https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters</a> and the information referred to in paragraphs (4) and (5) at: <b>Item 6.A (pages 95-104) and Table 18 (page 127) of the Form 20-F contained within Mesoblast's Annual Report 2023</b>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	<input checked="" type="checkbox"/>  and we have disclosed our board skills matrix at: <b>2023 Corporate Governance Statement</b>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/>  and we have disclosed the names of the directors considered by the board to be independent directors at: <b>2023 Corporate Governance Statement</b> and, where applicable, the information referred to in paragraph (b) at: <b>2023 Corporate Governance Statement</b> and the length of service of each director at: <b>2023 Corporate Governance Statement</b>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at: <a href="https://www.mesoblast.com/company/corporate-governance/code-of-conduct-and-values">https://www.mesoblast.com/company/corporate-governance/code-of-conduct-and-values</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at: <a href="https://www.mesoblast.com/company/corporate-governance/code-of-conduct-and-values">https://www.mesoblast.com/company/corporate-governance/code-of-conduct-and-values</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy at: <a href="https://www.mesoblast.com/company/corporate-governance/key-policies">https://www.mesoblast.com/company/corporate-governance/key-policies</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy at: <a href="https://www.mesoblast.com/company/corporate-governance/key-policies">https://www.mesoblast.com/company/corporate-governance/key-policies</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters">https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters</a> and the information referred to in paragraphs (4) and (5) at: <b>Item 6.A (pages 95-104) and Table 18 (page 127) of the Form 20-F contained within Mesoblast's Annual Report 2023</b></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	<input checked="" type="checkbox"/> and we have disclosed our market disclosure and shareholder communications policy at: <a href="https://www.mesoblast.com/company/corporate-governance/key-policies">https://www.mesoblast.com/company/corporate-governance/key-policies</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: <a href="https://www.mesoblast.com/company/corporate-governance/key-policies">https://www.mesoblast.com/company/corporate-governance/key-policies</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://www.mesoblast.com/company/corporate-governance">https://www.mesoblast.com/company/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders at: <b>2023 Corporate Governance Statement</b>	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.	<input checked="" type="checkbox"/> and we have disclosed a copy of the charter of the committee at: <a href="https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters">https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters</a> and the information referred to in paragraphs (4) and (5) at: <b>Item 6.A (pages 95-104) and Table 18 (page 127) of the Form 20-F contained within Mesoblast's Annual Report 2023</b>	<input type="checkbox"/> set out in our Corporate Governance Statement
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	<input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: <b>2023 Corporate Governance Statement</b>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	<input checked="" type="checkbox"/> and we have disclosed how our internal audit function is structured and what role it performs at: <b>2023 Corporate Governance Statement</b>	<input type="checkbox"/> set out in our Corporate Governance Statement
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	<input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks at: <b>Item 3.D. (pages 6-43) and Item 4.A (pages 45-54) of the Form 20-F contained within Mesoblast's Annual Report 2023, and the 2023 Corporate Governance Statement</b> and, if we do, how we manage or intend to manage those risks at: <b>Item 3.D. (pages 6-43) and Item 4.A (pages 45-54) of the Form 20-F contained within Mesoblast's Annual Report 2023, and the 2023 Corporate Governance Statement</b>	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>	
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters">https://www.mesoblast.com/company/corporate-governance/board-committees-and-charters</a> and the information referred to in paragraphs (4) and (5) at: <b>Item 6.A (pages 95-104) and Table 18 (page 127) of the Form 20-F contained within Mesoblast's Annual Report 2023</b></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives at: <b>2023 Remuneration Report which is set out on pages 101 to 124 of the Form 20-F contained within Mesoblast's Annual Report 2023</b></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at: <a href="https://www.mesoblast.com/company/corporate-governance/key-policies">https://www.mesoblast.com/company/corporate-governance/key-policies</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	<input type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<i>Alternative to Recommendation 1.1 for externally managed listed entities:</i> The responsible entity of an externally managed listed entity should disclose: (a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.	<input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at: ..... [insert location]	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation	Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<p>- <i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i> An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input type="checkbox"/> and we have disclosed the terms governing our remuneration as manager of the entity at: ..... <i>[insert location]</i></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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## Corporate Governance Statement

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Mesoblast Limited (the **Company** or **Mesoblast**) and its Board of Directors (the **Board**) are committed to implementing and achieving an effective corporate governance framework to ensure that the Company is managed effectively and in an honest and ethical way.

A description of the Company and its controlled entities' (together, the **Group**) corporate governance practices are set out below. All of these practices, unless otherwise stated, were in practice for the financial year ended 30 June 2023 and comply with the ASX Corporate Governance Council's (**Council**) Corporate Governance Principles and Recommendations, fourth edition (the **ASXCGPR**).

The information in this statement is current as at 12 October 2023 and has been approved by the Board.

This statement includes cross references to the Company's charters, policies and codes, relevant copies or summaries of which are available in the Corporate Governance section of the Company's website, [www.mesoblast.com](http://www.mesoblast.com). Further, this statement should be read in conjunction with the Directors' Report, the Remuneration Report and the Financial Report for the financial year ended 30 June 2023, and the Environmental, Social and Governance (**ESG**) Statement, as these reports also contain information required or recommended to be included by the ASXCGPR. The Directors' Report can be found at Part 1 on the Form 20-F contained within our Annual Report (principally Item 1 and Item 6.A), the Remuneration Report can be found at Item 6.B of the Form 20-F contained within the 2023 Annual Report, the Financial Report can be found at Item 18 of Form 20-F contained within the 2023 Annual Report, and the ESG Statement can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

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### PRINCIPLE 1. LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

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#### ROLE OF THE BOARD

The Board of Directors is primarily responsible for setting the strategic direction and corporate governance of the Group, and for overseeing the management and operations of the Group. In particular, the principal roles and responsibilities of the Board are to:

- facilitate accountability to the Group and its shareholders;

- ensure timely reporting to shareholders;
- provide strategic guidance to management, including contributing to the development and review of the corporate strategy;
- oversee management of the Group and ensure there are effective management processes in place;
- appoint, remove (if necessary) and monitor the performance of the Chief Executive;
- review the performance of the Board, individual Directors and the committees of the Board;
- monitor:
  - organizational performance and the achievement of the Group's strategic goals and objectives;
  - financial performance including approval of the annual, half-year and quarterly financial reports, and liaison with the Company's auditors;
  - progress of major capital expenditure and other significant corporate projects including any acquisitions or divestments;
  - compliance with the Group's corporate governance policies and procedures; and
  - progress in relation to the Group's diversity objectives and compliance with its diversity policy;
- review and approve business plans, the annual budget and financial plans (including available resources and major capital raising or expenditure initiatives);
- approve major corporate initiatives;
- enhance and protect the reputation of the Group including through the Group's statement of values and code of conduct,
- oversee the operation of the Group's system for compliance and risk management; and
- ensure appropriate resources are available to senior management.

The Board operates in accordance with the broad principles set out in its charter, which provides a framework for the Board's effective operation. The charter specifically addresses the following:

- role, authority and responsibilities of the Board;
- Board committees;
- Board composition and election of the Chair;

- Directors' rights and duties;
- responsibilities of and delegations to management;
- performance of the Board; and
- role of a Company Secretary.

A summary of the charter is available at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

#### BOARD COMMITTEES

The Board has delegated specific authority to two committees. These committees are:

- the Nomination and Remuneration Committee; and
- the Audit and Risk Committee.

The role and responsibilities of these committees are set out in each Board Committee Charter and summarized in Principle 2 and Principle 4 of this statement, respectively.

#### ROLE OF MANAGEMENT

Day to day management of the Group's operations and the implementation of the corporate strategy and policy initiatives are delegated by the Board to the Chief Executive and the executive team.

Specific limits of authority delegated to the Chief Executive and senior executive team are outlined in a formal delegation of authority policy, which has been approved by the Board.

#### DIRECTOR SELECTION AND APPOINTMENT

The Company conducts appropriate checks before it appoints a person or puts forward to shareholders a new candidate for election as a Director. These include checks as to the person's character, experience, education, criminal record, bankruptcy history, probity and any other relevant matters.

The Company also provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director in the notice of meeting provided to shareholders. This includes information relevant for shareholders to be able to assess each Director's skills and competencies, industry experience, time commitments, current directorships, and other relevant information in their consideration of that election, including any other interest, position or relationship that might influence on their ability to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual shareholder or other party.

#### WRITTEN AGREEMENTS WITH DIRECTORS AND SENIOR EXECUTIVES

The Company has a written agreement with each Director and senior executive setting out the terms of their appointment.

The roles and responsibilities of each non-executive Director is set out in their letter of appointment, which the Director receives and commits to on their appointment. The letter of appointment specifies the time commitment, expectations in relation to committee work or any other special duties attaching to the Director's position, reporting lines, remuneration arrangements, disclosure obligations in relation

to personal interests, confidentiality obligations, insurance and indemnity entitlements and details of the Company's key governance policies. The key governance policies are available at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

Each executive Director and senior executive has entered into a service contract that sets out the material terms of employment, including a description of position and duties, reporting lines, remuneration arrangements and termination rights and entitlements. Further details on arrangements which apply to each executive Director and those senior executives who are designated key management personnel can be found in Item 6 of Form 20-F contained within our Annual Report.

#### COMPANY SECRETARIES

The Company Secretaries are accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The Company Secretaries assist the Board in its effectiveness by monitoring that Board policies and procedures are followed and by coordinating the timely completion and dispatch of the Board agenda and supporting papers. The Directors have direct access to the Company Secretaries who regularly communicate with them through email, by telephone and in in-person meetings.

#### DIVERSITY

The Group values diversity and recognizes the benefits that diversity can bring to the organization's ability to achieve its goals. Diversity can lead to a competitive advantage through broadening the talent pool for recruitment of high quality employees, by encouraging innovation and improving a corporation's professionalism and reputation. Accordingly, the Group is committed to promoting diversity within the Group and has adopted a formal policy outlining the Group's diversity objectives.

A copy of the diversity policy is available at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

With respect to gender diversity, the Group has set the following objectives:

- 1) aim to increase the number of women on the Board of Directors as vacancies arise and circumstances permit;
- 2) aim to increase the number of women who hold senior executive positions as vacancies arise and circumstances permit; and
- 3) ensure the opportunity exists for equal gender participation in all levels of professional development programs.

The Group is committed to developing a workplace that promotes diversity by acting in fairness, objectively and without prejudice. The Group's policy is to recruit and manage on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background. Accordingly, the Group has not established measurable objectives or number targets for achieving gender diversity.

The following table reports the Group's progress towards achieving its gender diversity objectives for points one and two above. In regard to point three, the Group ensured that an equal opportunity existed for gender participation in all levels of professional development programs during the financial year. For completeness, as at 30 June 2023, the Group globally had 83 employees, of which 44 (53%) were female.

Category	Number of women at 30 June 2023	Number of women at 30 June 2022	Increase/ (Decrease)
Board of Directors	1	1	-
Senior executive positions*	3	3	-

\* A senior executive position is one held by an executive who reports directly to the Chief Executive. Approximately 33% of senior executive positions were held by women as at 30 June 2023.

The Board is conscious of the gender imbalance at board level and has an objective to increase this number as vacancies arise and circumstances permit (noting the last board appointee was a female).

The Board has delegated the responsibility for reviewing and reporting on diversity, specifically gender diversity, to the Nomination and Remuneration Committee.

#### BOARD PERFORMANCE EVALUATION

The performance of the Board, its committees, individual Directors and senior management is reviewed periodically. A copy of the Group's performance evaluation process is available at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance). This review encompasses feedback on the Chair and individual non-executive Directors as well as consideration of Board succession planning, diversity, and the breadth and sufficiency of skills represented on the Board. The results of the review were discussed by the Board, for the purpose of confirming that the Board continues to function in an appropriate manner.

The Board also carries out informal performance monitoring sessions at each quarterly meeting of the Board. In addition, Directors are encouraged to raise any issues or concern regarding the performance of the Board, Board committees or individual Directors with the Chair, or if the concern relates to the Chair, with the Chair of the Audit and Risk Committee.

#### SENIOR EXECUTIVE PERFORMANCE EVALUATION

The process for assessing performance of the Chief Executive and the senior executive team is described in the Remuneration Report. A performance evaluation for senior executives, which accords with the process described in the Remuneration Report, was undertaken with respect to the financial year ended on 30 June 2023.

## PRINCIPLE 2. STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

### NOMINATION AND REMUNERATION COMMITTEE

The Board has established a Nomination and Remuneration Committee to assist it in the discharge of its responsibilities, and in particular to ensure that appointments to the Board are subject to formal, rigorous and transparent procedures in order to create an environment where the Board can carry out effective and responsible decision making and oversight. The main responsibilities of the committee are to:

- conduct reviews of the membership of the Board having regard to present and future needs of the Company and to make recommendations on Board composition, appointments and reappointments;
- conduct reviews of and determine the independence of each Director;
- propose candidates for Board vacancies;
- oversee annual executive performance evaluations, including recommendations for long and short term incentive grants as well as pay reviews;
- oversee Board succession, including the succession of the Chair, and review whether succession plans are in place to maintain an appropriately balanced mix of skills, experience and diversity on the Board;
- manage the processes in relation to meeting Board diversity objectives;
- oversee senior management succession plans; and
- assess the effectiveness of the Board induction process.

The Nomination and Remuneration Committee operates in accordance with its charter which sets out its roles and responsibilities, composition, structure and membership requirements. A summary of the Nomination and Remuneration Committee charter is available at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

The following independent Directors are the members of the Nomination and Remuneration Committee as at 30 June 2023:

Name	Position held during the year
William Burns	Independent chair
Joseph Swedish	Independent member
Michael Spooner	Independent member*
Philip Facchina	Independent member
Philip Krause	Independent member**
Jane Bell	Independent member

\* Since the end of the reporting period, Michael Spooner has retired from the Board and the Nomination and Remuneration Committee.

\*\* Since the end of the reporting period, Philip Krause is no longer on the Nomination and Remuneration Committee as he is not currently considered an independent director.

The details of the meetings attended by each member of the Nomination and Remuneration Committee during the 2023 financial year are set out in Item 6.A of Form 20-F contained within our Annual Report.

## BOARD SKILLS MATRIX

The Company has developed a skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership. The skills matrix helps to identify any gaps in the collective skills of the Board that can then be addressed through professional development initiatives for Directors and in Board succession planning. The Nomination and Remuneration Committee regularly reviews its skills matrix to make sure it covers the skills needed to address existing and emerging business and governance issues relevant to the Company.

The skills and experience that the Board has, and continues to add to its membership, are in the areas of, but not limited to:

- Industry experience: pharmaceutical/ biotechnology product development – substantial experience in the drug investigation, testing and development process;
- Industry experience: pharmaceutical/biotechnology commercialization and regulatory – substantial experience in the drug commercialization process including clinical trials and path to regulatory and pricing approval;
- Industry experience: pharmaceutical/biotechnology manufacturing and supply – substantial experience in the global manufacturing, quality control and supply of approved pharmaceutical products;
- Executive management and leadership: substantial experience in managing and leading organizations at senior executive and board levels;
- Global business/commercial experience: substantial experience in senior executive roles for businesses operating across multiple global locations;
- Strategy: substantial experience in the development and implementation of strategic direction and plans to deliver investor returns over time;
- Corporate financing, mergers and acquisitions: substantial experience in capital raisings, mergers and acquisitions of companies and complementary technologies;
- Financial and risk management: expertise and experience in audit, financial accounting and reporting, internal controls, financial disclosure and industry taxation;
- Human resources: substantial experience in stakeholder management, oversight of remuneration, incentives, equity programs, benefits, employment contracts and workplace health and safety;
- Corporate governance: substantial experience in public entity disclosure, management oversight and inquiry, listing rules and compliance; and
- Medical/healthcare leadership: substantial leadership experience in healthcare organizations and/or integrated healthcare delivery.

Each of these skills is well represented on the Board.

## INDEPENDENT DIRECTORS

With the exception of our Chief Executive and Chief Medical Officer (who are executive directors), as at 30 June 2023, the Board was comprised of the following independent Directors:

- Mr William Burns;
- Mr Michael Spooner\*;
- Mr Joseph R. Swedish;
- Dr Philip Krause\*\*;
- Mr Philip J. Facchina, and
- Ms Jane Bell

\* Since the end of the reporting period, Michael Spooner has retired from the Board.

\*\* Since the end of the reporting period, Philip Krause is no longer considered an independent director.

A Director is considered independent if he or she is a non-executive Director and is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board. The Board considers the factors set out in the ASXCGPR and outlined below when assessing the independence of each non-executive Director, being whether the Director:

- is, or has been, employed in an executive capacity by the Group and there has not been a period of at least three years between ceasing such employment and serving on the Board;
- receives performance based remuneration (including options or performance rights) from, or participates in an employee incentive scheme of, the entity;
- is, or has within the last three years been, a partner, director, senior employee or consultant or a provider of material professional services to the Group;
- is, or has been within the last three years, in a material business relationship (eg, as a supplier, professional advisor, consultant or customer) with the Group, or is an officer of, or otherwise associated with, someone in such a relationship;
- is, represents, or is or has been within the last three years an officer or employee of, or professional adviser to, a substantial security holder of the Group;
- has a material contractual relationship with the Group other than as a Director;
- has close personal ties, which may be based on family, friendship, or other social or business connections, with any person who falls within any of the categories described above; or
- has been a Director of the Company for such a period that their independence from management and substantial holders may have been compromised.

The Board at least annually assesses the independence of its non-executive Directors. To enable this assessment of independence, the Company maintains a conflicts of interest register, and the Directors must provide all information that may be relevant to the assessment at the earliest opportunity.

As part of its annual assessment of independence for the 2023 calendar year, the Board gave specific consideration to:

- the fact that our non-executive Directors have received options under our employee incentive scheme;
- the independence of Mr Spooner, who performed the role of Executive Chair from August 2005 to November 2007, at which time he resigned but remained a Director, and also due to Mr Spooner having a tenure of 18 years and 9 months as at 30 June 2023 (with 15 years and 7 months as a non-executive Director);
- the independence of Mr Facchina, who is Chief Strategy Officer of SurgCenter Development. SurgCenter Development is not a security holder in Mesoblast. However, some of its principals were lead investors in Mesoblast's successful:
  - US\$110 million private placement completed in March 2021;
  - US\$65 million private placement completed in August 2022; and
  - US\$40 million private placement completed in April 2023; and
- the independence of Dr Krause, who has recently been performing a strategic advisory role for the Company under a consulting agreement in addition to his role of non-executive director.

With respect to the options previously granted to non-executive Directors, it is the Board's view that these options will not interfere with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Group as a whole. It is noted that the options granted to non-executive Directors, unlike other options granted to employees, are not subject to any performance or service conditions or hurdles.

With respect to Mr Spooner's former role as Executive Chair and his continuation on the Board, the Board maintains the view that he remained an independent Director on the basis that the Group has significantly expanded its operations since he held an executive role more than ten years ago.

With respect to Mr Spooner's tenure on the Board until his recent retirement, the Board considered that Mr Spooner was an independent Director on the basis that he brought valuable expertise, independent judgement and had not formed associations with management or others that might compromise his ability to fulfil his role as an independent Director.

With respect to Mr Facchina, the Board considers that Mr Facchina brings independent judgement, experience and expertise to the Board on behalf of all shareholders and that he does not represent the interests of any particular shareholder or group of shareholders.

With respect to Dr Krause, the NASDAQ rules have a financial threshold for payments to directors (other than director fees and committee fees) which if exceeded, a director is no longer considered

independent. Since that threshold has been reached in relation to Dr Krause's remuneration under his strategic advisory role for the Company, he is not considered an independent Director. As a result, he is no longer a member of the Company's Nomination & Remuneration Committee.

#### CHAIR

The Chair is responsible for leading the Board and for the efficient organization and conduct of the Board.

The role of the Chair more specifically is to ensure Directors are properly briefed in all matters relevant to their role and responsibilities, to facilitate Board discussions and to manage the Board's relationship with the Chief Executive and executive team. In accepting the position, the Chair has acknowledged that it will require a significant time commitment and has confirmed that other positions held will not hinder his effective performance in the role of Chair. The Chair, Mr Joseph R. Swedish, is considered an independent Director.

#### TERM OF OFFICE

The Company's constitution specifies that no Director, except the Chief Executive, may hold office for a period in excess of three years, or beyond the third Annual General Meeting following the Director's election, whichever is the longer, without submitting himself or herself for re-election.

The term in office held by each Director in office as at 30 June 2023 is as follows:

Director	Term as director	Position held at 30 June 2023
Joseph Swedish	5 years	Independent Chair
William Burns	9 years and 3 months	Independent vice-Chair
Silviu Itescu	19 years	Executive Director
Michael Spooner	18 years and 9 months	Independent Director
Eric Rose	10 years and 2 months	Executive Director
Philip Facchina	2 years and 3 months	Independent Director
Philip Krause	1 year and 3 months	Non-Executive Director (not independent)
Jane Bell	10 months	Independent Director

#### BOARD INDUCTION AND PROFESSIONAL DEVELOPMENT

All new Directors participate in an informal induction program which covers the operation of the Board and its committees, and an overview of the Group's core programs, key strategy, financial and relevant operational documents. The induction also includes meetings with existing Directors and senior executives

to ensure all relevant and material information is explained thoroughly. The induction provided to new Directors enables them to actively participate in Board decision-making as soon as possible.

The Board encourages Directors to identify opportunities for, and to participate in, continuing education. The Board actively assesses relevant conferences and presentations that are appropriate for them to attend, particularly in the field of regenerative medicine, to heighten their understanding of the Group's core technologies and industry.

In addition, presentations from management and external advisors are included in the agenda for Board meetings throughout the year to assist with keeping the Directors updated and informed on key developments in laws and the regulatory environment.

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### PRINCIPLE 3. INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

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#### CODE OF CONDUCT AND VALUES

As part of its commitment to recognizing the legitimate interests of stakeholders, the Group has established a code of conduct (**Code**), statement of values and a suite of policies and procedures to guide all Directors and employees in respect of ethical and compliant behaviour expected by the Group. In summary, the Code requires that at all times all Company personnel act with the utmost integrity, objectivity and in compliance with the law and Company policies. More specifically, the Code covers the following:

- conflicts of interest;
- confidentiality;
- fair dealing;
- protection of assets;
- compliance with laws and regulations;
- reporting violations of the Code;
- security trading; and
- commitments to stakeholders.

A copy of the Code and statement of values can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

#### OTHER POLICIES

Among its suite of policies and procedures, the Company has an Anti-Bribery and Anti-Corruption Policy and provides associated training in respect of the policy as well as the Code. In addition, the Company has a Disclosure of Complaints and Concerns Policy which addresses, among other things, breaches under the Company's Code, Anti-Bribery and Anti-Corruption Policy, or other Company policies. These policies can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance). The Company has a process in place to inform the Board or a committee of the Board of any material breaches of the Anti-Bribery and Anti-Corruption Policy, Code and material incidents reported under the Disclosure of Complaints and Concerns Policy.

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### PRINCIPLE 4. SAFEGUARD INTEGRITY OF CORPORATE REPORTS

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#### AUDIT AND RISK COMMITTEE

The Board has established an Audit and Risk Committee to which it has delegated the responsibility for ensuring that an effective internal control framework exists within the Group. The main responsibilities of the Audit and Risk Committee with respect to financial reporting are to:

- review and assess the annual financial report, the half-year financial report, the Company's quarterly accounts and all other financial information published by the Company or released to the market;
- recommend to the Board the appointment, removal and remuneration of the external auditors, and review the terms of their engagement, the scope and quality of the audit and assess performance;
- consider the independence and competence of the external auditor on an ongoing basis;
- review and approve the level of non-audit services provided by the external auditors and ensure it does not adversely impact on auditor independence;
- review and monitor related party transactions;
- oversee the effective operation of the risk management framework;
- oversee and review the Company's compliance with the Disclosure of Complaints and Concerns policy by Mesoblast personnel;
- assist the Board in reviewing the effectiveness of the organization's internal control environment covering:
  - effectiveness and efficiency of operations and business processes;
  - safeguarding of assets;
  - reliability of financial reporting and maintaining proper accounting records; and
  - compliance with applicable laws and regulations; and
- report to the Board on matters relevant to the committee's role and responsibilities.

In fulfilling its responsibilities, the Audit and Risk Committee:

- receives regular reports from management and the external auditors;
- meets with the external auditors at least four times a year, or more frequently if necessary;
- reviews the processes which the Chief Executive and Interim Chief Financial Officer have in place to support their certifications to the Board;
- reviews any significant disagreements between the auditors and management, irrespective of whether they have been resolved; and
- provides the external auditors with a clear line of direct communication at any time to either the Chair of the Audit and Risk Committee or the Chair of the Board. The Audit and Risk Committee has authority,

within the scope of its responsibilities, to seek any information it requires from any employee or external party.

The Audit and Risk Committee operates under a formal charter approved by the Board which sets out the committee's role and responsibilities, composition, structure and membership requirements and the procedures for inviting non-committee members to attend meetings. A full copy of the Audit and Risk Committee charter can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

The following independent Directors were the members of the Audit and Risk Committee as at 30 June 2023:

Name	Position held during the year
Michael Spooner	Independent chair*
Philip Facchina	Independent member
Jane Bell	Independent member*
Joseph Swedish	Independent member

\* Since the end of the reporting period, Michael Spooner has retired from the Board and the Audit and Risk Committee, and Jane Bell has replaced him as chair of the Audit and Risk Committee.

All of the Directors are financially literate and Jane Bell has a finance background.

Additionally, all the Directors have valuable and relevant industry experience having served in the healthcare industry in senior positions for a number of years. The details of the meetings attended by each member of the Audit and Risk Committee during the 2023 financial year are set out in Item 6.A of Form 20-F contained within our Annual Report.

#### CHIEF EXECUTIVE AND INTERIM CHIEF FINANCIAL OFFICER DECLARATION

The integrity of the Company's financial reporting depends upon the existence of a sound system of risk oversight and management and internal control.

Management accountability for this is enhanced by the assurances it is required to give to the Board.

The Chief Executive and the Interim Chief Financial Officer provided assurance to the Board prior to release of the Company's 2023 financial year financial statements that, in their opinion:

- the financial records of the Company for the financial year have been properly maintained in accordance with the *Corporations Act 2001* (Cth); and
- the financial statements and notes for the relevant financial period comply with the accounting standards and give a true and fair view of the financial position and performance of the Group.

The opinions of the Chief Executive and the Interim Chief Financial Officer were formed on the basis of a sound system of risk management and internal control which is operating effectively.

#### INTEGRITY OF PERIODIC CORPORATE REPORTS

The Company has a policy and procedures in place to ensure that periodic corporate reports which are not subject to audit or reviewed by an external auditor comply with relevant disclosure obligations under applicable laws. A copy of the Company's market disclosure and shareholder communications policy can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

#### PRINCIPLE 5. MAKE TIMELY AND BALANCED DISCLOSURE

##### CONTINUOUS DISCLOSURE

The Company has a policy and procedures in place to ensure that it identifies and discloses any information concerning the Group that a reasonable person would expect to have a material effect on the price of the Company's securities (price sensitive information) in accordance with the continuous disclosure requirements under ASX Listing Rule 3.1. The Company's policy in relation to market disclosure and shareholder communications can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).

The Company has established an internal review committee which reviews all market announcements (other than routine administrative announcements) to ensure they are factual, comply with legal obligations, do not omit material information, provide a balanced view, and are presented in a clear and concise way.

The Board receives copies of all material market announcements either prior to or promptly after they have been made.

All price sensitive information disclosed to the ASX is posted on the Mesoblast website as soon as possible after it is disclosed to the ASX.

Where the Company holds a substantive investor or analyst presentation, including for its quarterly financial results, or one which contains material new information, the material used in the presentation is released concurrently to the ASX and posted on the Mesoblast website.

#### PRINCIPLE 6. RESPECT THE RIGHTS OF SECURITY HOLDERS

##### COMPANY WEBSITE

The Company provides information about itself and its governance on its website at [www.mesoblast.com](http://www.mesoblast.com).

##### INVESTOR RELATIONS

Mesoblast's investor relations program involves scheduled and ad hoc interactions with institutional investors, private investors and sell-side and buy-side analysts to facilitate understanding of the Group's business, corporate strategy, governance, financial and operational performance and prospects.

Further, shareholders can contact the Company at any time through the Company's Investor Relations team. The contact details are available on [www.mesoblast.com](http://www.mesoblast.com). The Board receives regular reports from our Chief Executive and Interim Chief Financial Officer regarding feedback from shareholders and analysts. This ensures Directors are aware of concerns being raised giving them a good understanding of current market and shareholder views.

Where possible, the Company arranges for advance notification of significant group briefings (including, but not limited to, financial results announcements) and makes them widely accessible. Webcasts of analysts' calls are generally available on the Company's website at [www.mesoblast.com](http://www.mesoblast.com).

#### SHAREHOLDER MEETINGS

The Board encourages full participation by shareholders at the Annual General Meeting to ensure a high level of Director accountability to shareholders and to enhance shareholders' identification with the Group's strategy and goals. Shareholders are requested to vote on matters such as the adoption of the Remuneration Report, the granting of securities to Directors and changes to the Constitution. Importantly, Mesoblast facilitates and encourages shareholder participation at the Annual General Meeting by providing a question forum at the meeting to address individual shareholder queries. The Company determined all resolutions at its 2022 Annual General Meeting by poll. The Board is committed to monitoring ongoing developments that may enhance communication with shareholders, including technology developments.

#### COMMUNICATIONS

Mesoblast gives shareholders the option to receive communications from, and send communications to, Mesoblast and its security registry electronically.

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### PRINCIPLE 7. RECOGNIZE AND MANAGE RISK

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#### AUDIT AND RISK COMMITTEE

The Board is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented a sound system of risk management and internal control. Detailed work on this task is delegated to the Audit and Risk Committee and reviewed by the full Board. The Audit and Risk Committee is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. They monitor the Group's risk management by overseeing management's actions in the evaluation, management, monitoring and reporting of material operational, financial, compliance and strategic risks. In providing this oversight of the Company's risk management systems and practices, the committee:

- reviews the framework and methodology for risk identification, the degree of risk the Company is willing to accept, the management of risk and the processes for auditing and evaluating the Group's risk management system;

- reviews Group-wide objectives in the context of the abovementioned categories of corporate risk;
- reviews and, where necessary, approves guidelines and policies governing the identification, assessment and management of the Group's exposure to risk;
- reviews and approves the delegations of financial authorities and addresses any need to update these authorities on an annual basis; and
- reviews compliance with agreed policies.

The committee recommends any actions it deems appropriate to the Board for its consideration. Details of the committee's charter, composition, structure, membership and attendance of meetings by members can be found under Principle 4 of this statement.

#### RISK MANAGEMENT FRAMEWORK

The Board is responsible for satisfying itself annually, or more frequently as required, that management has developed and implemented an effective system of risk management and internal control. Management is responsible for ensuring there are adequate policies in relation to risk management, compliance, and internal control systems. The Audit and Risk Committee monitors the Group's risk management by overseeing management's actions in the evaluation, management, monitoring, and reporting of material operational, financial, compliance, strategic, and certain Environmental, Social and Governance (ESG) risks.

The Group's risk management group is headed by the Chief Operating Officer. The risk management group is responsible for designing, implementing, monitoring, and reporting on the Group's management of material business risks and the effectiveness of the Group's risk management and internal control system. The risk management group reviews the Group's risks across its business and operations, and the Group's material business risks and risk management framework are reviewed at least annually by the Audit and Risk Committee.

In 2021, as part of the process of continual improvement, the Group developed a standardized tool to assess the Group's portfolio and corporate risk in partnership with an external risk management expert. This is in the process of being implemented. Mesoblast's risk management group is part of the Operating Committee and is headed by the Chief Operating Officer. Further detail on risks can be found in the 'Risk Factors' section (Item 3.D) on the Form 20-F contained within our Annual Report.

#### INTERNAL AUDIT FUNCTION

In light of the size and nature of the Company's operations and activities, the Company has not established a formal separate internal audit function. The Company does have, however, a Quality Management Department with appropriate controls in place for monitoring and compliance of clinical and non-clinical studies as well as manufacturing operations. The Company also has compliance control and monitoring to oversee compliance with the Company's Code, policies, and applicable healthcare-related laws and regulations.

As part of our Nasdaq listing, we are required to comply with rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002.

To meet these requirements, the Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. External auditors and the Company's management conducted an assessment of the effectiveness of its internal control over financial reporting as of 30 June 2023 and have concluded that its internal control over financial reporting was effective as of that date.

#### **ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) RISKS**

The Group monitors its exposure to risks, including ESG risks. The ESG Statement, which can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance), sets out at a high level the Group's approach to ESG matters.

ESG issues previously identified in analysis with the assistance of an external consultant are associated directly or indirectly with risks reported in the 'Risk Factors' section (Item 3.D) on the Form 20-F contained within our Annual Report. At this stage the Board does not consider that the Group has any material exposure to ESG risks which are not disclosed through the 'Risk Factors' section.

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### **PRINCIPLE 8. REMUNERATE FAIRLY AND RESPONSIBLY**

#### **NOMINATION AND REMUNERATION COMMITTEE**

As mentioned above in Principle 2, the Board has established a combined Nomination and Remuneration Committee. The Nomination and Remuneration Committee advises the Board on remuneration and incentive policies and practices generally and makes specific recommendations on remuneration packages and other terms of employment for executive Directors, other senior executives and non-executive Directors. Committee members receive regular briefings from an external remuneration expert on recent developments on remuneration and related matters. Details of the committee's charter, role and responsibilities, composition, structure, membership and attendance of meetings by members can be found under Principle 2 of this statement.

#### **NON-EXECUTIVE DIRECTOR REMUNERATION POLICY**

Non-executive Director remuneration consists of Director fees. In addition, certain non-executive Directors have been granted options following authorization from shareholders. These options were not subject to any performance or service hurdles or conditions. Further, non-executive Director remuneration does not include any performance-based remuneration or bonuses. The issue of options to the non-executive Directors is not intended to be an annual or regular event.

Further information on non-executive Directors' remuneration for the 2023 financial year, including principles used to determine remuneration, is set out in the Remuneration Report.

#### **EXECUTIVE DIRECTOR AND SENIOR EXECUTIVES' REMUNERATION POLICY**

Executive remuneration consists of fixed pay, performance-based remuneration and equity-based remuneration, and is closely aligned to the success of the Group. Further information on the executive Directors and senior executives' remuneration for the 2023 financial year, including principles used to determine remuneration, is set out in the Remuneration Report.

#### **SHARE TRADING POLICY**

The Company has developed a share trading policy which governs the trading of the Company's shares by Directors, employees and key consultants of the Company – who collectively are known as 'Mesoblast Personnel'. Mesoblast Personnel are not permitted to trade in the Company's securities during the period starting a week prior to the last business day of the month prior to the release of our quarterly financial results, and ending one day after the release of those financial results. The Board may also impose blackout periods during other periods as advised by the Board from time to time.

In addition, no person is able to trade in the Company's shares whilst in the possession of material inside information, and nor are they able to influence any other person with regard to trading in the Company's shares.

The share trading policy prohibits Mesoblast Personnel from trading in the Company's derivatives. This prohibition is in place to prevent such personnel from limiting their economic exposure to risk arising out of an element of remuneration which has not vested, or which has vested but remains the subject of a disposal restriction.

A copy of the Company's share trading policy can be found at [www.mesoblast.com/company/corporate-governance](http://www.mesoblast.com/company/corporate-governance).





**Mesoblast Limited**  
ABN 68 109 431 870

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## **Notice of Annual General Meeting and Explanatory Memorandum**

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For the Annual General Meeting of the Company to be held at:

**Time:** 12 noon (Melbourne time, AEDT)

**Date:** Tuesday, 28 November 2023

**Place:** MinterEllison  
Collins Arch, Level 20  
447 Collins Street  
Melbourne Victoria 3000

**THIS IS AN IMPORTANT DOCUMENT**

If you are in doubt as to what to do with this document, please immediately see your legal adviser, financial adviser or stockbroker.

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## Notice of Annual General Meeting

Notice is given that the Annual General Meeting (**AGM**) of Mesoblast Limited (ABN 68 109 431 870) (the **Company** or **Mesoblast**) will be held at 12 noon (Melbourne time, AEDT) on Tuesday, 28 November 2023 for the purpose of considering and, if thought fit, passing the resolutions set out below (**Notice**).

### Venue

The Company will conduct an AGM with shareholders able to attend in person at MinterEllison, Collins Arch, Level 20, 447 Collins Street Melbourne, Victoria 3000.

### Viewing the AGM online

The Company encourages shareholders and proxy holders to participate in the AGM in person. In recognition that this may not be feasible for all shareholders, shareholders may view the AGM online at <https://meetings.linkgroup.com/MSBAGM23>. If shareholders are viewing the AGM by webcast, we recommend logging onto our online platform at least 15 minutes prior to the scheduled start time for the AGM by entering <https://meetings.linkgroup.com/MSBAGM23> into a web browser on your computer or online device.

Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN), which is printed at the top of their personalised proxy appointment form.

Further information on how to view the AGM via webcast is set out in the Meeting Online Guide available at <https://mesoblast.com/agm2023>. Shareholders will not be able to submit their votes or submit questions through the webcast platform. Shareholders planning on viewing the AGM, instead of attending in person, should submit their votes prior to the AGM - detailed instructions on this are set out in this Notice in the section titled "Information on voting, proxies, corporate representatives and attorneys." In addition, shareholders may submit their questions before the meeting - detailed instructions on this are set out in this Notice in the section titled "Asking questions".

### Voting

Shareholders may vote by either:

- attending the AGM in person; or
- appointing a proxy.

Detailed instructions on the above options are set out in this Notice in the section titled "Information on voting, proxies, corporate representatives and attorneys."

### Asking questions

A discussion will be held on all Items to be considered at the AGM.

Shareholders physically attending the AGM will have a reasonable opportunity to ask questions during the AGM, including an opportunity to ask questions of the Company's external auditor.

To ensure that as many shareholders as possible have the opportunity to speak, shareholders are requested to observe the following:

- all shareholder questions should be stated clearly and should be relevant to the business of the AGM, including matters arising from the Annual Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and general questions about the performance, business or management of the Company;
- if a shareholder has more than one question on an Item, all questions should be asked at the one time; and
- shareholders should not ask questions at the AGM regarding personal matters or those that are commercial in confidence.

Shareholders may register questions in advance of the AGM and are invited to do so. A Shareholder Question Form has been sent to shareholders and is also available on the Company's website: <https://mesoblast.com/agm2023>.

We will attempt to address the more frequently asked questions in the Chair and Chief Executive's presentations at the AGM. Written questions must be received by the Company or Link Market Services Limited by 5.00pm (Melbourne time, AEDT) on Tuesday, 21 November 2023, and can be submitted online, by mail, by fax or in person (as set out on the top of the Shareholder Question Form).

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## ITEMS OF BUSINESS

Please note that additional information concerning the resolutions is contained in the Explanatory Memorandum that accompanies and forms part of this Notice.

### 1. Receipt and Consideration of Financial Statements and Reports

To receive and consider the Financial Statements of the Company and the reports of the Directors and Auditor for the year ended 30 June 2023, as set out in the Company's 2023 Annual Report.

### 2. Adoption of the Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*"That the Remuneration Report (which forms part of the Company's 2023 Annual Report) for the financial year ended 30 June 2023 be adopted."*

The vote on this Item is advisory only and does not bind the directors of the Company (**Directors**) or the Company.

Voting exclusions apply to this Item 2 - please see the Voting Exclusions section on page 5.

### 3. Amendment to the Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

*"That, for the purpose of section 136 of the Corporations Act and for all other purposes, the Company's constitution be amended with immediate effect by deleting the second sentence in clause 65.1 and replacing it with the following: 'If no such director would be required to submit for re-election but the ASX Listing Rules require an election of Directors to be held, the Director to retire will be as agreed by the Directors among themselves or, failing agreement, determined by lot.'"*

### 4. Re-election of Directors

To consider and, if thought fit, pass each of the following resolutions as an ordinary resolution:

#### a) Re-election of Mr Philip Facchina as a Director

*"That Mr Philip Facchina, a Director retiring from office in accordance with clause 65.1 of the Company's constitution, being eligible for re-election as a Director of the Company, is re-elected as a Director of the Company."*

#### b) Re-election of Mr William Burns as a Director

*"That Mr William Burns, a Director retiring from office in accordance with clause 65.1 of the Company's constitution, being eligible for re-election as a Director of the Company, is re-elected as a Director of the Company."*

### 5. Approval of Proposed Issue of Options to Chief Executive Officer, Dr Silviu Itescu

To consider and, if thought fit, pass each of the following resolutions as an ordinary resolution:

#### a) Proposed Issue of Options to Dr Silviu Itescu in Connection with his Long-Term Incentive Remuneration for the 2023/2024 Financial Year

*"That the Company approves, for the purposes of Listing Rule 10.14 and for all other purposes:*

- (i) the grant to Dr Silviu Itescu (being the Chief Executive Officer and Managing Director of the Company as at the date this resolution is passed) of 2,420,000 options, as the long-term incentive component of Dr Itescu's remuneration for the 2023/2024 financial year, under and in accordance with the Employee Share Option Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of this Meeting; and*
- (ii) any issue of fully paid ordinary shares in the Company to Dr Silviu Itescu on the exercise of the above options."*

**b) Proposed Issue of Options to Dr Silviu Itescu in Lieu of 30% of Base Salary**

*“That the Company approves, for the purposes of Listing Rule 10.14 and for all other purposes:*

- (i) the grant to Dr Silviu Itescu (being the Chief Executive Officer and Managing Director as at the date this resolution is passed) of 1,273,070 options in lieu of 30% of his base salary for the 12-month period from 1 September 2023 to 30 August 2024, under and in accordance with the Employee Share Option Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of this Meeting; and*
- (ii) any issue of fully paid ordinary shares in the Company to Dr Silviu Itescu on the exercise of any such options.”*

Voting exclusions apply to Items 5(a) and 5(b) – please see the Voting Exclusions section on pages 5 to 6.

**6. Approval of Proposed Issue of Options to Chief Medical Officer, Dr Eric Rose**

To consider and, if thought fit, pass each of the following resolutions as an ordinary resolution:

**a) Proposed Issue of Options to Dr Eric Rose in Connection with his Long-Term Incentive Remuneration for the 2023/2024 Financial Year**

*“That the Company approves, for the purposes of Listing Rule 10.14 and for all other purposes:*

- (i) the grant to Dr Eric Rose (being the Chief Medical Officer of the Company as at the date this resolution is passed) of 740,000 options, as the long-term incentive component of Dr Rose’s remuneration in the 2023/2024 financial year, under and in accordance with the Employee Share Option Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of this Meeting; and*
- (ii) any issue of fully paid ordinary shares in the Company to Dr Eric Rose on the exercise of the above options.”*

**b) Proposed Issue of Options to Dr Eric Rose in Lieu of 30% of Base Salary**

*“That the Company approves, for the purposes of Listing Rule 10.14 and for all other purposes:*

- (i) the grant to Dr Eric Rose (being the Chief Medical Officer as at the date this resolution is passed) of 1,220,765 options in lieu of 30% of his base salary for the 12-month period from 1 September 2023 to 30 August 2024, under and in accordance with the Employee Share Option Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of this Meeting; and*
- (ii) any issue of fully paid ordinary shares in the Company to Dr Eric Rose on the exercise of any such options.”*

Voting exclusions apply to Items 6(a) and 6(b) – please see the Voting Exclusions section on pages 5 to 6.

**7. Approval of Proposed Issue of Options to Non-Executive Directors**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That the Company approves, for the purposes of Listing Rule 10.14 and for all other purposes:*

- (i) the grant of options to:*
  - A. Mr Joseph R. Swedish (being a Non-Executive Director as at the date this resolution is passed);*
  - B. Mr William M. Burns (being a Non-Executive Director as at the date this resolution is passed);*
  - C. Ms Jane C. Bell (being a Non-Executive Director as at the date this resolution is passed); and*
  - D. Mr Philip J. Facchina (being a Non-Executive Director as at the date this resolution is passed),**in lieu of 50% of their director fees (including committee fees) for the 12-month period from 1 August 2023 to 31 July 2024 from a total pool of 1,853,889 options, under and in accordance with the Employee Share Option Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of this Meeting; and*
- (ii) any issue of fully paid ordinary shares in the Company to the Non-Executive Directors on the exercise of any such options.”*

Voting exclusions apply to this Item 7 – please see the Voting Exclusions section on pages 5 to 6.

## 8. Approval of Proposed Issue of Options to Director, Dr Philip Krause

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, for the purpose of Listing Rule 10.14 and for all other purposes:*

- (i) the grant to Dr Philip Krause (being a Director as at the date this resolution is passed) of 985,000 milestone-based options as part of his consultancy fees, under and in accordance with the Employee Share Option Plan and on the basis described in the Explanatory Memorandum accompanying the Notice of this Meeting; and*
- (ii) any issue of fully paid ordinary shares in the Company to Dr Philip Krause on the exercise of the above options.”*

Voting exclusions apply to this Item 8 – please see the Voting Exclusions section on pages 5 and 6.

## 9. Ratification of Issue of Securities to Institutional Investors

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of fully paid ordinary shares by the Company to institutional investors on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.”*

Voting exclusions apply to this Item 9 - please see the Voting Exclusions section on page 6.

## Further information

For detailed information on the above Items, please refer to the Explanatory Memorandum on pages 7 to 23.

By order of the Board:



**Niva Sivakumar and Paul Hughes**  
Joint Company Secretaries

30 October 2023

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## Voting Exclusions

### Voting Exclusion for Item 2 – Adoption of the Remuneration Report

The Company will disregard any votes cast on the resolution proposed in Item 2:

- by or on behalf of any Key Management Personnel (**KMP**) member whose remuneration details are included in the Remuneration Report, or any of their closely related parties, regardless of the capacity in which the votes are cast; or
- by any person who is a KMP member as at the time Item 2 is voted on at the AGM, or any of their closely related parties, as a proxy,

unless the votes are cast as a proxy for a person who is entitled to vote on Item 2:

- in accordance with a direction in the proxy appointment; or
- by the Chair of the AGM in accordance with an express authorisation in the proxy appointment to cast the votes even if Item 2 is connected directly or indirectly with the remuneration of a KMP member.

### Voting Exclusion for:

Items 5(a), 5(b), 6(a), 6(b), 7 and 8 – Approval of Proposed Issue of Options

The Company will disregard any votes cast in favour of the resolutions proposed in Items 5(a), 5(b), 6(a), 6(b), 7 and 8:

- by a person referred to in Listing Rule 10.14.1, 10.14.2, or 10.14.3 who is eligible to participate in the Company's Employee Share Option Plan (or their respective associates); and
- by any person who is a KMP as at the time Items 5(a), 5(b), 6(a), 6(b), 7 and 8 are voted on at the AGM (or any respective closely related party).

However, the Company need not disregard a vote on the resolutions proposed in Items 5(a), 5(b), 6(a), 6(b), 7 and 8 if it is cast:

- by a person as proxy or attorney for a person who is entitled to vote on the Item, in accordance with the directions given to the proxy or attorney to vote on the Item in that way;
- by the Chair of the AGM as proxy or attorney for a person who is entitled to vote on the Item, in accordance with a direction given to the Chair to vote on the Item as the Chair decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Item; and
  - the holder votes on the Item in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, a vote must not be cast on Items 5(a), 5(b), 6(a), 6(b), 7 and 8 by a member of the KMP of the Company, or a closely related party of a KMP, acting as proxy for a person entitled to vote, if their appointment does not specify the way the proxy is to vote on Items. This restriction on voting undirected proxies does not apply to the Chair of the AGM acting as a proxy for a person entitled to vote on Items 5(a), 5(b), 6(a), 6(b), 7 and 8 because the Company's proxy appointment expressly authorises the Chair of the AGM to exercise undirected proxies.

### Voting Exclusion for Item 9 – Ratification of Issue of Securities to Institutional Investors

The Company will disregard any votes cast in favour of the resolutions proposed in Item 9 by or on behalf of:

- a person who participated in the issue which is the subject of the resolution proposed at Item 9; or
- an associate of that person (or those persons).

However, the Company need not disregard a vote on the resolution proposed in Item 9 if it is cast:

- by a person as proxy or attorney for a person who is entitled to vote on Item 9, in accordance with the directions given to the proxy or attorney to vote on Item 9 in that way;
- by the Chair of the AGM as proxy or attorney for a person who is entitled to vote on the Item, in accordance with a direction given to the Chair to vote on the Item as the Chair decides; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Item; and
  - the holder votes on the Item in accordance with directions given by the beneficiary to the holder to vote in that way.

### Defined terms used in these voting exclusions

For the purposes of these voting exclusions:

- The **KMP** are those persons having authority and responsibility for planning, directing and controlling the activities of the Mesoblast consolidated group, either directly or indirectly. This includes all Directors (Executive and Non-Executive). The KMP for the Mesoblast consolidated group during the year ended 30 June 2023 are listed in a section titled 'Key Management Personnel' in Item 6.A ("Directors and Senior Management Personnel") of the Company's Form 20-F for the year ended 30 June 2023 (which is contained within the Company's Annual Report for the year ended 30 June 2023).
  - A **closely related party** of a KMP member means:
    - a spouse or child of the member; or
    - a child of the member's spouse; or
    - a dependant of the member or of the member's spouse; or
    - anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Mesoblast consolidated group; or
    - a company the member controls.

The Company will also apply these voting exclusions to persons appointed as attorney by a shareholder to attend and vote at the AGM under a power of attorney, as if they were appointed as a proxy.

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## Explanatory Memorandum relating to the 2023 Notice of Annual General Meeting

This Explanatory Memorandum accompanies and forms part of the Notice of AGM.

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### ITEMS OF BUSINESS

#### Item 1 - Receipt and Consideration of Financial Statements and Reports

The laws in Australia require the Company's financial statements and reports for the last financial year just ended to be presented to the AGM. This Item does not require a formal resolution to be put at the AGM.

Rather, this agenda Item is intended to provide shareholders with the opportunity to raise questions on the financial statements and reports contained in the Company's 2023 Annual Report, and on the performance of the Company generally.

Shareholders should note that the financial statements and reports will be received in the form presented. It is not the purpose of the meeting for the financial statements and reports to be accepted, rejected or modified in any way. There is no requirement either in the Corporations Act 2001 (Cth) (Corporations Act) or in the constitution of the Company for shareholders to approve the financial report, the Directors' report or the Auditor's report.

#### Item 2 - Adoption of the Remuneration Report

Under the Corporations Act, the Company is required to include in the Directors' Report a detailed Remuneration Report setting out certain prescribed information relating to Directors' and Executives' remuneration, and submit this for adoption by resolution of shareholders at the AGM.

The Remuneration Report is set out on pages 101 to 124 of the Company's 2023 Annual Report. A copy of the 2023 Annual Report can be found on the Company's website at <https://mesoblast.com/agm2023> or by contacting the Company's share registry, Link Market Services.

As outlined in the Remuneration Report, the Company's market valuation has been impacted by the recent FDA decision announced on 4 August 2023, resulting in a Mesoblast share price lower than the comparative time last year. To support the Company's investment in priority research and development programs, and to preserve cash, the Company is implementing a number of costs containment and deferment strategies, including the following changes to remuneration:

- Dr Silviu Itescu, Chief Executive Officer, and Dr Eric Rose, Chief Medical Officer, have volunteered to reduce their base salary by 30% for a 12-month period from 1 September 2023 to 30 August 2024. In compensation for the reduction in cash pay, an option grant is proposed (subject to shareholder approval of Item 5(b) and Item 6(b) respectively) which will increase their equity-based pay, further aligning their interests to those of shareholders.
- Cash payment of the STI relating to the financial year ended 30 June 2023 has been deferred and is dependent on FDA approval.
- Non-Executive Directors have voluntarily deferred 50% of the cash payments for their director fees and agreed to receive the remaining 50% of their fees in equity-based incentives, subject to shareholder approval (Item 7). No cash payments to Non-Executive Directors will be made until the Company receives an approval from the United States Food and Drug Administration (FDA).

The Remuneration Report further provides:

- an explanation of the Company's remuneration strategy and guiding principles;
- an explanation of the Company's policies in relation to the nature and amount of the remuneration of the KMP;
- a description of the relationship between such policies and the Company's performance;
- if an element of remuneration is performance based, an explanation why the performance conditions were chosen and how performance is measured against those conditions; and
- remuneration details for the KMP.

## EXPLANATORY MEMORANDUM

During this Item, there will be an opportunity for shareholders at the meeting to comment on and ask questions about the Remuneration Report, and shareholders are asked to adopt the Remuneration Report.

The vote on the resolution in this Item is advisory only and will not bind the Directors or the Company. The Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies of the Company.

### **Recommendation**

Noting that each Director has a personal interest in their own remuneration from the Company (as described in the Remuneration Report), and that each Director (or any closely related party of a Director) is excluded from voting their shares on Item 2 (as described in the "Voting Exclusions" section above), the Directors unanimously recommend that shareholders vote in favour of Item 2 to adopt the Remuneration Report.

### **Item 3 – Amendment to the Company’s Constitution**

The proposed amendment to the Company’s constitution is intended to provide the Directors with greater flexibility to determine which Director(s) should retire and stand for re-election in circumstances where the ASX Listing Rules require an election of Director(s) and no Director is due to stand for election. In effect, it allows the Board to consider the skillset of Directors and assists with the alignment of Director skillsets with the needs of the Company when determining which existing Director should stand for election. Without the proposed change, the choice of retiring Director is not necessarily based on the Company’s needs. Under the unamended constitution, for an AGM where no Director’s 3 year term is due to end, the Director who must retire must be the Director who has been longest in office since their last election by shareholders, even if there are good reasons for an alternative Director to retire by rotation instead. The proposed amendment does not affect the obligation of each Director (with the exception of the Managing Director) not to hold office for a continuous period in excess of 3 years or until the third AGM following the Director’s last election, whichever is the longer, without submitting for re-election.

A marked copy of the Company’s constitution showing the proposed change is available on the Company’s website (<https://mesoblast.com/agm2023>), with the proposed new text underlined in blue and deleted text struck out in red. An extract of the change (in mark-up) is extracted below for ease of reference.

#### **65. Retirement of Directors**

- 65.1 No Director, who is not the Managing Director, may hold office for a continuous period in excess of three years or until the third annual general meeting following the Director’s appointment or election, whichever is the longer, without submitting for re-election. If no such Director would be required to submit for re-election but the ASX Listing Rules require an election of Directors to be held, the Director to retire will be as agreed by the Directors among themselves or, failing agreement, determined by lot. ~~If no such director would be required to submit for re-election but the ASX Listing Rules require an election of Directors to be held, the Director to retire will be the Director who has been longest in office since their last election, but, as between persons who became Directors on the same day, the one to retire will (unless they otherwise agree among themselves) be determined by lot.~~

### **Physical copies of the proposed amendments**

Copies of the Company’s constitution showing the proposed change are also available by telephoning the Company’s Share Registry, Link Market Services, on +61 1300 554 474 and requesting a copy of the document (free of charge). A copy of the proposed amended Constitution will also be available for inspection by shareholders at the AGM.

### **How must the proposed amended constitution be approved?**

This resolution is a special resolution, and accordingly, must be approved by at least 75 per cent of the votes cast by shareholders present (whether in person, or by proxy, attorney or representative) and entitled to vote on this resolution.

### **Recommendation**

The Directors unanimously recommend that shareholders vote in favour of Item 3.

## Item 4 – Re-election of Director

### a) Re-election of Mr Philip Facchina

Mr Philip Facchina was appointed to the Board in 2021 and last elected by shareholders at the Company's 2021 AGM. In accordance with clause 65.1 of the Company's constitution, Mr Facchina, being eligible for re-election as a Director of the Company, has agreed to offer himself for re-election at the AGM in light of the requirement under Listing Rule 14.5 that there be an election of directors at each annual general meeting and despite it being less than 3 years since he last stood for re-election as a Director.

Mr Facchina brings more than 35 years of experience in corporate strategy, finance, and business development across several industries, including healthcare. Since 2018, Mr Facchina has been Chief Strategy Officer at SurgCenter, overseeing the company's strategic relationships, including its relationships with the broad US ambulatory surgical center (ASC) market and its constituents. Prior to SurgCenter, Mr Facchina spent two decades in the public and private capital markets, where he directly managed public and private capital transactions of equity and debt, led M&A and special advisory processes including take-privates. From 2008 to 2017, Mr Facchina served as a Partner, Co-Portfolio Manager and the Chief Operating Officer of Ramsey Asset Management, an institutional investment management firm, and from 1998 to 2008 Mr Facchina led the technology, media, and communications and healthcare investment banking groups of FBR Capital Markets. Mr Facchina currently serves as an independent director for ViON Corporation and MilltechFX, and is Advisor to the CEO of Johanna Foods Inc, where he chairs the Audit Committee. Mr Facchina also serves as a Strategic Advisor to New Markets Venture Partners. Previously, among other directorships and committee posts, Mr Facchina served on the Board of Web.com (Nasdaq: WEB), where he led Corporate Governance.

The Board has determined that Mr Philip Facchina is an independent Director.

### b) Re-election of Mr William Burns

Mr William Burns was appointed to the Board in 2014 and was last elected by shareholders at the Company's 2022 AGM. In accordance with clause 65.1 of the Company's constitution, Mr Burns, being eligible for re-election as a Director of the Company, has agreed to offer himself for re-election at the AGM in light of the requirement under Listing Rule 14.5 that there be an election of directors at each annual general meeting and despite it being less than 3 years since he last stood for re-election as a Director.

Mr Burns was appointed Vice Chair of the Board in 2016. He spent his entire management career at the Beecham Group and F. Hoffmann-La Roche Ltd. Mr Burns was Chief Executive Officer of Roche Pharmaceuticals from 2001 to 2009, when he joined the Board of Directors of F. Hoffmann-La Roche Ltd. until he retired in 2014 and has been a Non-Executive Director of Shire PLC, Chugai Pharmaceutical Co., Genentech, Crucell, and Chairman of Biotie Therapies Corp. from 2014 until its sale to Acorda Therapeutics Inc. in 2016. From 2014 until September 2023, he was a trustee of the Institute of Cancer Research, London, and from 2016 until 2020 served as a Governor of The Wellcome Trust in London, UK.

Currently, in addition to his duties with Mesoblast, Mr Burns is Chairman of Molecular Partners and Chairs the Antimicrobial Resistance Fund. Mr Burns is also a member of the Oncology Advisory Board of the Universities of Cologne/Bonn in Germany.

The Board has determined that Mr William Burns is an independent Director.

### Recommendation

The Board recommends that shareholders vote in favour of the re-election of each of the above candidates. Each relevant candidate has not participated in the Board resolution relating to their own candidacy.

## Item 5 – Approval of Proposed Issue of Options to Chief Executive Officer, Dr Silviu Itescu

### a) Proposed Issue of Options to Dr Silviu Itescu in Connection with his Long-Term Incentive Remuneration for the 2023/2024 Financial Year

As detailed in the Remuneration Report set out on pages 101-124 of the Company's 2023 Annual Report, the CEO's remuneration framework includes a long-term incentives (LTI) component which is maximum of 200% of fixed remuneration in the form of options over fully paid ordinary shares in the Company. This framework is aligned with biotechnology peers in key markets for biotechnology personnel, which have a large proportion of remuneration in LTI, therefore strongly aligning outcomes with those of shareholders.

Given the Company's reduction in share price this year, the Board together with the CEO chose to exercise moderation when determining the value for the LTI component of the CEO's remuneration for the 2023/2024 financial year, and reduced the LTI to less than 30% of the maximum of 200%.

Shareholders are asked to approve the issue of 2,420,000 milestone-based options to Dr Silviu Itescu, CEO, under the Employee Share Option Plan, which constitute the LTI component of Dr Itescu's remuneration for the 2023/2024 financial year. Vesting of these options is subject to the achievement of specified milestones determined by the Board, as well as minimum holding periods from grant.

Vesting for the proposed issue of options will be contingent on achievement of the following milestones, being:

- LTI Clinical Milestones – 70% (1,694,000 options): regulatory and clinical milestones in relation to the remestemcel-L and rexlemestrocel-L platforms; and
- LTI Financial/Business Milestones – 30% (726,000 options): financial and business development milestones in relation to the remestemcel-L and rexlemestrocel-L platforms.

Due to their commercially sensitive nature, the Company intends to provide further details related to the above performance metrics in the annual report following the achievement of the relevant milestones. It is noted that the milestones may be deemed by the Board to have been only partially met, in which case not all of the grant amounts may vest.

The options are also subject to minimum holding periods, whereby they are eligible for vesting in three equal tranches subject to the achievement of the above milestones, on the first, second and third anniversary of the grant date.

Dr Itescu will only realise value from the options if the milestones are achieved, and the share price of the Company exceeds the option exercise price (set based on the share price when the Board approved the grant of the options).

The 2,420,000 milestone-based options will be issued to Dr Itescu in accordance with the Employee Share Option Plan, the terms and conditions of which are described in this Explanatory Memorandum at pages 14 to 17.

### b) Proposed Issue of Options to Dr Silviu Itescu in Lieu of 30% of Base Salary

Shareholders are asked to approve the issue of 1,273,070 time-based options to Dr Itescu in lieu of 30% of his base salary for the 12-month period from 1 September 2023 to 30 August 2024. Dr Itescu has volunteered this reduction in his base salary as a cash preservation strategy, and the use of equity in lieu of cash further increases his alignment with the interests of shareholders. The number of time-based options was determined using the Black Scholes valuation methodology such that the option valuation is equivalent to the 30% base salary reduction.

The options will be issued to Dr Itescu in accordance with the Employee Share Option Plan. Key terms applying to these time-based options are summarised below:

- (i) These options will vest in three equal tranches, with a tranche vesting on each of the six month, nine month and one year anniversaries of the grant date, and an expiry date of seven years from the grant date;
- (ii) If Dr Itescu is a 'Leaver', he will retain all vested options subject to the expiry date. A holder will be a 'Leaver' where they cease to be a Director and employee of the Company in circumstances where they are not a 'Bad Leaver' (and a 'Leaver' will include someone who resigns or retires from the Board); and
- (iii) Other than as set out above, the terms and conditions of these time-based options are described in this Explanatory Memorandum at pages 14 to 17.

ASX Listing Rule 10.15 requires that the meeting documents concerning a proposed resolution to approve an issue of equity securities, in accordance with ASX Listing Rule 10.14, must include certain information. To minimise repetition, the required information for this Item 5 is set out below in this Explanatory Memorandum at pages 12 to 14.

### Recommendation

The Directors (with Dr Itescu abstaining) recommend that shareholders vote in favour of Item 5(a) and Item 5(b).

## Item 6 - Approval of Proposed Issue of Options to Chief Medical Officer, Dr Eric Rose

### a) Proposed Issue of Options to Dr Eric Rose in Connection with his Long-Term Incentive Remuneration for the 2023/2024 Financial Year

As detailed in the Remuneration Report set out on pages 101-124 of the Company's 2023 Annual Report, the CMO's remuneration framework includes a LTI component which is a maximum of 100% of fixed remuneration in the form of options over fully paid ordinary shares in the Company. This framework is aligned with biotechnology peers in key markets for biotechnology personnel, which have a large proportion of remuneration in LTI, therefore strongly aligning outcomes with those of shareholders.

Given the Company's reduction in share price this year, the Board chose to exercise moderation when determining the value for the LTI component of the CMO's remuneration for the 2023/2024 financial year and reduced the LTI to less than 30% of the maximum of 100%.

Shareholders are accordingly asked to approve the issue of 740,000 milestone-based options to Dr Eric Rose under the Employee Share Option Plan, which constitute the LTI component of Dr Rose's remuneration for the 2023/2024 financial year. Vesting of these options is subject to the achievement of specified milestones determined by the Board, as well as minimum holding periods from grant.

Vesting for the proposed issue of options will be contingent on achievement of the following milestones, being:

- LTI Clinical Milestones – 80% (592,000 options): regulatory and clinical milestones in relation to the remestemcel-L and rexlemestrocel-L platforms; and
- LTI Corporate Milestones – 20% (148,000 options): strategic corporate partnership milestones in relation to the remestemcel-L and rexlemestrocel-L platforms.

Due to their commercially sensitive nature, the Company intends to provide further details related to the above performance metrics in the annual report following the achievement of the relevant milestones. It is noted that the milestones may be deemed by the Board to have been only partially met, in which case not all of the grant amount may vest.

The options are also subject to minimum holding periods, whereby they are eligible for vesting in three equal tranches subject to the vesting of the above milestones, on the first, second and third anniversaries of the grant date.

Dr Rose will only realise value from the options in the event that the milestones are achieved, and the share price of the Company exceeds the options exercise price (set based on the share price when the Board approved the grant of the options).

The 740,000 milestone-based options will be issued to Dr Rose in accordance with the Employee Share Option Plan, the terms and conditions of which are described in this Explanatory Memorandum at pages 14 to 17.

### b) Proposed Issue of Options to Dr Eric Rose in Lieu of 30% Base Salary

Shareholders are asked to approve the issue of 1,220,765 time-based options to Dr Eric Rose in lieu of 30% of his base salary for the 12-month period from 1 September 2023 to 30 August 2024. Dr Rose has volunteered this reduction in his base salary as a cash preservation strategy, and the use of equity in lieu of cash further increases his alignment with the interests of shareholders. The number of time-based options was determined using the Black Scholes valuation methodology such that the option valuation is equivalent to the 30% base salary reduction.

The options will be issued to Dr Rose in accordance with the Employee Share Option Plan. Key terms applying to these time-based options are summarised below:

- (i) These options will vest in three equal tranches, with a tranche vesting on each of the six month, nine month and one year anniversaries of the grant date, and an expiry date of seven years from the grant date;
- (ii) If Dr Rose is a 'Leaver', he will retain all vested options subject to the expiry date. A holder will be a 'Leaver' where they cease to be a Director and employee of the Company in circumstances where they are not a 'Bad Leaver' (and a 'Leaver' will include someone who resigns or retires from the Board); and
- (iii) Other than as set out above, the terms and conditions of these time-based options are described in this Explanatory Memorandum at pages 14 to 17.

### Recommendation

The Directors (with Dr Rose abstaining) recommend that shareholders vote in favour of Item 6(a) and Item 6(b).

**Information required by the ASX Listing Rules for Items 5(a), 5(b), 6(a), and 6(b)**

The Company seeks shareholder approval to issue options to Dr Silviu Itescu and Dr Eric Rose for the purposes of ASX Listing Rule 10.14, which provides that an entity must not permit any Director to acquire equity securities under an employee incentive scheme without the prior approval of shareholders.

ASX Listing Rule 10.15 requires that the meeting documents concerning a proposed resolution to approve an issue of equity securities, in accordance with ASX Listing Rule 10.14, must include the certain information. To minimise repetition, the required information for Items 5(a), 5(b), 6(a) and 6(b) are set out below:

<b>The name and category which the person falls within in Listing Rule 10.14.1 – 10.14.3 and why</b>	Dr Silviu Itescu is the Chief Executive Officer and Managing Director of the Company.  Dr Eric Rose is the Chief Medical Officer of the Company.
<b>The number and class of securities proposed to be issued to the person</b>	<p>The total number of options that may be issued to Dr Itescu is:</p> <ol style="list-style-type: none"> <li>As the LTI component of his 2023/2024 remuneration: 2,420,000 milestone-based options; and</li> <li>Options in lieu of 30% of his base salary: 1,273,070 time-based options.</li> </ol> <p>The total number of options that may be issued to Dr Rose is:</p> <ol style="list-style-type: none"> <li>As the LTI component of his 2023/2024 remuneration: 740,000 milestone-based options; and</li> <li>Options in lieu of 30% of his base salary: 1,220,765 time-based options.</li> </ol>
<b>If the person is a director, the details (including the amount) of the director's current total remuneration package</b>	<p>Dr Itescu's current total remuneration package consists of:</p> <ol style="list-style-type: none"> <li>A\$1,010,000 fixed remuneration;</li> <li>short term incentive payment of up to 50% of fixed remuneration (ie, A\$505,000); and</li> <li>a long-term incentive consisting of 2,420,000 milestone-based options, amounting to a total grant value of approximately A\$575,960 using the Black Scholes valuation methodology as at the date the Board approved the grant.</li> </ol> <p>For a twelve-month period from 1 September 2023, Dr Itescu has agreed to a 30% reduction in his base salary in lieu of which he would get 1,273,070 time-based options, amounting to a total grant value of approximately A\$303,000, equivalent to 30% of his base salary, as at the date the Board approved the grant.</p> <p>Dr Rose's current total remuneration package consists of:</p> <ol style="list-style-type: none"> <li>US\$615,000 fixed remuneration;</li> <li>short term incentive payment of up to 50% of fixed remuneration (ie, US\$307,500); and</li> <li>long-term incentive consisting of 740,000 milestone-based options, amounting to a total grant value of approximately A\$176,120 as at the date the Board approved the grant.</li> </ol>
<b>The number of securities that have previously been issued to the person under the scheme and the average acquisition price (if any) paid by the person for those securities</b>	<p>Dr Itescu has previously received shareholder approval for the issue of 6,960,334 options under the Company's previous employee share option plan. The previous grants have the following exercise prices: A\$1.47 (1,885,334 options), A\$3.41 (1,200,000 options), A\$1.77 (1,550,000 options) and A\$1.03 (2,325,000 options).</p> <p>Dr Rose has previously received shareholder approval for the issue of 2,370,000 options under the Employee Share Option Plan. The previous grants have the following exercise prices: A\$1.33 (120,000 options), A\$1.83 (100,000 options), and A\$1.03 (2,150,000 options)</p>

<p><b>If the securities are not fully paid ordinary shares, a summary of the material terms of the securities, an explanation of why that type of security is being used and the value attributed to that security and its basis</b></p>	<p>The options issued to Dr Itescu and Dr Rose will have terms and conditions attaching to the Employee Share Option Plan which are described in this Explanatory Memorandum at pages 14 to 17, except as set out in pages 10 to 11 above.</p> <p>Options have been selected as the instrument for the LTI because they conserve cash, align with shareholder interests, and focus executives on ensuring strategy, risk management, and execution that optimizes shareholder value.</p> <p>The value attributed to each option is calculated using the Black Scholes valuation methodology, based on the 5-day VWAP up to the date of Board approval of the options.</p>
<p><b>The date or dates on or by which the Company will issue the securities to the person under the scheme which must not be later than 3 years after the date of this meeting</b></p>	<p>If Items 5(a), 5(b), 6(a) and/or 6(b) are approved by shareholders, the corresponding options will be issued no later than 12 months after this meeting.</p>
<p><b>The exercise price at which the Company will issue the securities to the person under the scheme</b></p>	<p>In relation to the LTI options:</p> <p>A\$0.37 per milestone-based option that may be issued to Dr Itescu, and A\$0.37 per milestone-based option that may be issued to Dr Rose.</p> <p>In relation to the options in lieu of 30% of base salary:</p> <p>A\$0.38 per time-based option that may be issued to Dr Itescu, and A\$0.38 per time-based option that may be issued to Dr Rose.</p>
<p><b>A summary of the material terms of the scheme</b></p>	<p>See table below on pages 14 to 17.</p>
<p><b>No loans</b></p>	<p>No loans are proposed in connection with the proposed issue of options.</p>
<p><b>Additional disclosures</b></p>	<p>If:</p> <ul style="list-style-type: none"> <li>• Item 5(a) is passed, the Company will proceed with the issue of the milestone-based options to Dr Itescu;</li> <li>• Item 5(b) is passed, the Company will proceed with the issue of time-based options in lieu of 30% of base salary noted above to Dr Itescu;</li> <li>• Item 6(a) is passed, the Company will proceed with the issue of the milestone-based options to Dr Rose; and/or</li> <li>• Item 6(b) is passed, the Company will proceed with the issue of time-based options in lieu of 30% of base salary noted above to Dr Rose.</li> </ul> <p>If:</p> <ul style="list-style-type: none"> <li>• Item 5(a) is not passed, the Company will not be able to proceed with the issue of the milestone-based options noted above to Dr Itescu and the Company will consider alternative means of providing long term incentives to Dr Itescu;</li> <li>• Item 5(b) is not passed, the Company will not be able to proceed with the issue of the time-based options in lieu of 30% of base salary noted above to Dr Itescu and the Company will adjust Dr Itescu's base salary with effect from the date of the 2023 AGM so that as a result, for the 12 months commencing 1 September 2023, the Company would have paid Dr Itescu the same amount by way of base salary as if the 30% reduction in base salary had not occurred;</li> </ul>

- Item 6(a) is not passed, the Company will not be able to proceed with the issue of the milestone-based options noted above to Dr Rose and the Company will consider alternative means of providing long term incentives to Dr Rose; and/or
- Item 6(b) is not passed, the Company will not be able to proceed with the issue of the time-based options in lieu of 30% of base salary noted above to Dr Rose and the Company will adjust Dr Rose's base salary with effect from the date of the 2023 AGM so that as a result, for the 12 months commencing 1 September 2023, the Company would have paid Dr Rose the same amount by way of base salary as if the 30% reduction in base salary had not occurred.

Details of any securities issued under the scheme will be published by the Company in its annual report relating to the relevant period in which they are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after this resolution is approved by shareholders and who are not named in this Notice of AGM will not participate until shareholder approval is obtained under Listing Rule 10.14.

**Summary of the terms of the Employee Share Option Plan**

**Maximum number of shares able to be issued**

In broad terms, the maximum number of shares that may be issued (including shares issued on the exercise of options) to persons under the Employee Share Option Plan in Australia during any three-year period may not exceed 10% of the total number of shares on issue. There are certain exclusions from this limit, including shares issued under a formal disclosure document (such as a prospectus) and shares issued to certain exempt classes of persons provided for in the Corporations Act.

In addition, there is a maximum of 20,000,000 shares over which US Incentive stock options may be issued to individuals who are employed by the Company or another member of the Group that qualifies as a 'related corporation', as defined in US Treasury Regulations section 1.421-1(i)(2).

**Ranking of shares issued under the Employee Share Option Plan**

Shares issued on the exercise of the options will rank equally in all respects with other shares from the date of allotment and issue, subject to the satisfaction of any applicable disposal restrictions.

**Participation on new issues of shares**

Option holders cannot participate in new issues of shares to existing shareholders without exercising the option within the exercise period and becoming a shareholder by the relevant record date.

**Vesting conditions, expiry dates, exercise price and share acquisition price**

Options are issued to eligible participants with each option entitling the holder to subscribe for one fully paid ordinary share in the Company on exercise.

The Exercise Conditions (i.e. vesting conditions), expiry date and exercise price of options are determined by the Board in its discretion at the time of issue of the options.

The Company typically issues options under the Employee Share Option Plan on the following basis:

- options issued are either time-based vesting or milestone-based vesting, or both, depending on the eligible participant's role. Time-based options vest in three equal tranches, with a tranche vesting on each of the first, second and third anniversary of the issue date. Milestone-based options vest upon achievement of pre-specified performance milestones;
- options have an expiry date of seven years from date of issue; and
- the exercise price of options is the higher of (i) the volume weighted average share price of the five ASX trading days up to the date the Board approved the grant, and (ii) the last closing price of an ordinary share on the ASX at Board approval.

The Employee Share Option Plan includes a provision that confirms the Board's discretion, subject to the Listing Rules, to amend Exercise Conditions of options that are issued under the ESOP to ensure long term incentives can continue to incentivise executives in alignment with the Company's strategy, which may need to pivot from time to time given the development stage of the Company.

**Treatment of options on cessation of employment**

*Cessation of employment as a Leaver.*

If a participant in the Employee Share Option Plan ceases employment, unless the Board determines that the participant is a 'Bad Leaver', then:

- (a) the participant may retain vested options, however, subject to (b) and (c) below, they must be exercised within 60 days of cessation of employment (or within a longer period if so determined by the Board), after which time the options will lapse;
- (b) if the cessation of employment occurs while the Company has a share trading black out period in place, unless the Board determines otherwise, within 60 days after (but not before) the end of the share trading black out period (or within a longer period if so determined by the Board), after which time the options will lapse;
- (c) if at the time of ceasing employment or at any later time before the 'Leaver' exercises options, the 'Leaver' is or becomes an 'Insider', then, despite any other rule of the Employee Share Option Plan, but subject to a contrary determination by the Board:
  - (i) the 'Leaver' must not exercise any vested options while they are an 'Insider'; and
  - (ii) the 'Leaver' may exercise all or any of their vested options within 60 days after the Company notifies the 'Leaver' and the 'Leaver' has ceased to be an 'Insider';

(d) subject to (e), below, any unvested options will normally be forfeited and lapse unless the Board determines otherwise; and

(e) in relation to options held by a person who held a managerial or executive office in the Company or a related body corporate of the Company at any time during the last 3 years before the person became a 'Leaver', unless the Board in its sole and absolute discretion determines otherwise (in which event they will be forfeited and lapse), unvested options will continue and vest when, in the Board's sole and absolute discretion, any exercise conditions of the options are satisfied with that vesting to be on a pro rata basis over the relevant period.

A 'Leaver' means a participant who ceases employment (or their consultancy) with the Company and who is not a Bad Leaver. A Leaver will include a participant who ceases employment or their consultancy with the Company due to resignation or retirement but would not usually include a participant who ceases employment (or their consultancy with the Company) and who, with the prior approval of the Company's Nomination and Remuneration Committee, becomes within 60 Business Days a consultant (or employee) with the Company or a related body corporate of the Company.

An 'Insider' means a person who possesses (for the purposes of Division 3 of Part 7.10 of the Corporations Act) inside information (as defined in section 1042A of the Corporations Act) in relation to the Company or any of its securities.

*Cessation of employment as a Bad Leaver.*

If a participant in the Employee Share Option Plan ceases employment, and the Board determines that the participant is a 'Bad Leaver', all rights, entitlements and interests in any unexercised options (whether vested or unvested) held by the participant will lapse immediately.

A 'Bad Leaver' is a participant who ceases to be employed by the Company where the Board determines that the participant has:

- committed any serious or persistent breach of any provisions of employment;
- been convicted of any criminal offence which involves fraud or dishonesty;
- engaged in any conduct which brings the Company into substantial disrepute;
- committed any wrongful or negligent act or omission which has caused the Company substantial liability;
- engaged in grave misconduct or recklessness in the discharge of the participant's duties;
- become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that, pursuant to the Corporations Act, may result in the participant being banned from managing a corporation; or
- engaged in any other conduct which the Board reasonably considers to be analogous to, or having a substantially similar seriousness to, any of the circumstances specified above.

<p><b>Change of control</b></p>	<p>Unvested options vest on a 'Control Event', whether or not any of all applicable Exercise Conditions (i.e. vesting conditions) have been met, unless the Board otherwise determines.</p> <p>A 'Control Event' means any of the following:</p> <ul style="list-style-type: none"> <li>• an offer is made by a person for the whole of the issued ordinary share capital of the Company (or any part as is not at the time owned by the offeror or any person acting in concert with the offeror) and after announcement of the offer the offeror (being a person who did not Control the Company prior to the offer) acquires Control of the Company;</li> <li>• any other event occurs which causes a change in Control of the Company; or</li> <li>• any other event which the Board reasonably considers should be regarded as a Control Event.</li> </ul> <p>'Control' of an entity means having the right to:</p> <ul style="list-style-type: none"> <li>• vote 50% (or more) of the votes that can be cast at a meeting of shareholders;</li> <li>• appoint or remove directors who possess 50% (or more) of the votes exercisable by all directors of the entity; or</li> <li>• 50% (or more) of the profits or distributions of the entity or of its net liquidation proceeds.</li> </ul>
<p><b>Cash settlement or buy-back of options or shares</b></p>	<p>The Board has discretion to cash settle or buy-back options or shares issued on the exercise of options, including, but not limited to, as an alternative to delivering shares on the exercise of options. The cash settlement amount in respect of options will be determined by reference to the market value of the options at the relevant time or an amount agreed with the option holder.</p>
<p><b>Lapsing of options</b></p>	<p>Either the Company or an option holder may request that the option holder's options lapse for no consideration.</p>
<p><b>Amendments and administration</b></p>	<p>Subject to the ASX Listing Rules, the rules of the Employee Share Option Plan may be amended or supplemented by resolution of the Board. Unless the resolution of the Board expressly states otherwise, any amendment or supplement will not apply to any options granted which have not yet been exercised.</p> <p>The Employee Share Option Plan is managed by the Board or its delegate which has powers including to determine appropriate procedures for the administration of the Employee Share Option Plan, and to determine matters falling for determination under the Employee Share Option Plan in its discretion having regard to the interests of and for the benefit of the Company.</p> <p>The Employee Share Option Plan may be terminated at any time at the discretion of the Board and no compensation under any employment contract will arise as a result.</p>
<p><b>Addendum for US participants</b></p>	<p>The Plan includes an Addendum that supplements the rules of the Plan and makes certain variations to the rules for Eligible Employees who are US federal taxpayers and/or residents in the US, to take into account tax and regulatory requirements in the US as they relate to stock options. The Addendum prevails over the other Plan rules with respect to options granted to US participants, to the extent of any inconsistency.</p>

### Item 7 – Approval of Proposed Issue of Options to Non-Executive Directors

Shareholders are asked to approve the issue of time-based options to each of Mr Joseph R. Swedish, Mr William M. Burns, Ms Jane C. Bell and Mr Philip J. Facchina in lieu of 50% of their director fees (including committee fees) for the 12-month period from 1 August 2023 to 31 July 2024. As a further cash preservation strategy, these Non-Executive Directors have volunteered to defer cash payment of the other 50% of the director fees (including committee fees) until FDA approval.

The total number of time-based options to be issued to all of these Non-Executive Directors is 1,853,889.

These options will be issued to each of the above Non-Executive Directors in accordance with the Employee Share Option Plan. Key terms applying to these time-based options are summarised below:

- (i) These options will vest in three equal tranches, with a tranche vesting on each of the six month, nine month and one year anniversaries of the grant date, and an expiry date of seven years from the grant date;
- (ii) The options will be subject to lapsing where the holder is a 'Bad Leaver'. Unless the Board determines otherwise, in accordance with the rules of the Employee Share Option Plan:
  - A. where the holder is a 'Bad Leaver', all rights, entitlements and interests in any unexercised options (including those that are vested options) held by the holder will be forfeited and will lapse immediately. In broad terms, a holder will be a 'Bad Leaver' where they cease to be a Director of the Company in circumstances where they have engaged in conduct adverse to the Company, or breach the terms of their appointment; and
  - B. where a holder is a 'Leaver', the holder will retain all vested and unvested options and they will remain subject to vesting (if unvested) and expiry as noted in (i) above. A holder will be a 'Leaver' where they cease to be a Director of the Company in circumstances where they are not a 'Bad Leaver' (and a 'Leaver' will include someone who resigns or retires from the Board).
- (iii) Other than as set out above, the terms and conditions of these options are described in this Explanatory Memorandum at pages 14 to 17.

ASX Listing Rule 10.15 requires that the meeting documents concerning a proposed resolution to approve an issue of equity securities, in accordance with ASX Listing Rule 10.14, must include the information below:

<b>The name and category which the person falls within in Listing Rule 10.14.1 – 10.14.3 and why</b>	Mr Joseph R. Swedish is a Non-Executive Director of the Company. Mr William M. Burns is a Non-Executive Director of the Company. Ms Jane C. Bell is a Non-Executive Director of the Company. Mr Philip J. Facchina is a Non-Executive Director of the Company.
<b>The number and class of securities proposed to be issued to the person</b>	The total number of options that may be issued to Mr Swedish, Mr Burns, Ms Bell and Mr Facchina is 1,853,889 time-based options.
<b>If the person is a director, the details (including the amount) of the director's current total remuneration package</b>	Mr Swedish's fixed remuneration consists of directors' fees of US\$250,000.  Mr Swedish has agreed to a 50% reduction in his directors' fees in lieu of which he would receive 827,077 time-based options for the 12-month period from 1 August 2023 to 31 July 2024, amounting to a total grant value of approximately A\$196,844 using the Black Scholes valuation methodology as at the date the Board approved the grant. Cash payment of the other 50% of his director fees is deferred.  Mr Burns' fixed remuneration consists of directors' fees of A\$195,000.  Mr Burns has agreed to a 50% reduction in his directors' fees in lieu of which he would receive 409,651 time-based options for the 12-month period from 1 August 2023 to 31 July 2024, amounting to a total grant value of approximately A\$97,497 using the Black Scholes valuation methodology as at the date the Board approved the grant. Cash payment of the other 50% of his director fees is deferred.

	<p>Ms Bell's fixed remuneration consists of directors' fees of A\$155,528.</p> <p>Ms Bell has agreed to a 50% reduction in her directors' fees in lieu of which she would receive 326,729 time-based options for the 12-month period from 1 August 2023 to 31 July 2024, amounting to a total grant value of approximately A\$77,762 using the Black Scholes valuation methodology as at the date the Board approved the grant. Cash payment of the other 50% of her director fees is deferred.</p> <p>Mr Facchina's fixed remuneration consists of directors' fees of A\$138,250.</p> <p>Mr Facchina has agreed to a 50% reduction in his directors' fees in lieu of which he would receive 290,432 time-based options for the 12-month period from 1 August 2023 to 31 July 2024, amounting to a total grant value of approximately A\$69,123 using the Black Scholes valuation methodology as at the date the Board approved the grant. Cash payment of the other 50% of his director fees is deferred.</p>
<p><b>The number of securities that have previously been issued to the person under the scheme and the average acquisition price (if any) paid by the person for those securities</b></p>	<p>Mr Swedish has a total of 500,000 outstanding options that were previously issued under the Employee Share Option Plan. The previous grants have the following exercise prices: A\$1.52 (200,000 options) and A\$1.48 (300,000 options)</p> <p>Mr Burns has a total of 220,000 outstanding options that were previously issued under the Employee Share Option Plan. The previous grants have the following exercise prices: A\$1.33 (120,000 options) and A\$1.83 (100,000 options)</p> <p>Ms Bell has a total of 200,000 outstanding options that were previously issued under the Employee Share Option Plan. The previous grant has the following exercise price: A\$0.85 (200,000 options)</p> <p>Mr Facchina has a total of 200,000 outstanding options that were previously issued under the Employee Share Option Plan. The previous grant has the following exercise price: A\$2.28 (200,000 options)</p>
<p><b>If the securities are not fully paid ordinary shares, a summary of the material terms of the securities, an explanation of why that type of security is being used and the value attributed to that security and its basis</b></p>	<p>The options issued to:</p> <ul style="list-style-type: none"> <li>• Mr Swedish;</li> <li>• Mr Burns;</li> <li>• Ms Bell; and</li> <li>• Mr Facchina,</li> </ul> <p>will have terms and conditions attaching to the Employee Share Option Plan which are described in this Explanatory Memorandum at pages 14 to 17 except as set out in page 18 above.</p> <p>The value attributed to each option is calculated using the Black Scholes valuation methodology, based on the 5-day VWAP up to the date of Board approval of the options.</p>
<p><b>The date or dates on or by which the Company will issue the securities to the person under the scheme which must not be later than 3 years after the date of this meeting</b></p>	<p>If Item 7 is approved by shareholders, the corresponding options will be issued no later than 12 months after the meeting.</p>
<p><b>The exercise price at which the Company will issue the securities to the person under the scheme</b></p>	<p>All options issued under this resolution will be issued with an exercise price of A\$0.38 per option</p>

<b>A summary of the material terms of the scheme</b>	See table above on pages 14 to 17.
<b>No loans</b>	No loans are proposed in connection with the proposed issue of options.
<b>Additional disclosures</b>	<p>If Item 7 is passed, the Company will proceed with the issue of options noted above to:</p> <ul style="list-style-type: none"> <li>• Mr Swedish;</li> <li>• Mr Burns;</li> <li>• Ms Bell; and</li> <li>• Mr Facchina.</li> </ul> <p>If Item 7 is not passed, the Company will not be able to proceed with the issue of options noted above to:</p> <ul style="list-style-type: none"> <li>• Mr Swedish;</li> <li>• Mr Burns;</li> <li>• Ms Bell; and</li> <li>• Mr Facchina,</li> </ul> <p>and the Company will adjust Non-Executive Directors fees (including committee fees) with effect from the date of the 2023 AGM so that as a result, for the 12 months commencing 1 August 2023, the Company will have paid the Non-Executive Directors 50% of their director fees (including committee fees).</p> <p>Details of any securities issued under the Employee Share Option Plan will be published by the Company in its annual report relating to the relevant period in which they are issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.</p> <p>Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Share Option Plan after Item 7 is approved by shareholders and who are not named in this Notice of AGM will not participate until shareholder approval is obtained under ASX Listing Rule 10.14.</p>

If Item 7 is approved by shareholders, then in accordance with Exception 14 in ASX Listing Rule 7.2, and Exception 8 in ASX Listing Rule 10.12, an issue of securities made with the approval of the holders of an entity's ordinary securities under ASX Listing Rule 10.14 operates as an exception to ASX Listing Rule 7.1 and ASX Listing Rule 10.11 respectively.

**Recommendation**

The Directors (with Mr Swedish, Mr Burns, Ms Bell and Mr Facchina abstaining) recommend that shareholders vote in favour of Item 7.

## Item 8 – Approval of Proposed Issue of Options to Director, Dr Philip Krause

Shareholders are asked to approve the issue of 985,000 milestone-based options to Dr Philip Krause, Director, under the Employee Share Option Plan, which constitute part of his consultancy fees in connection with Dr Krause's continuing engagement as a consultant to the Company through his company. Vesting of these options is subject to the achievement of specified milestones determined by the Board as noted below, as well as minimum holding periods from grant.

Vesting for 100% of the proposed issue of options will be contingent on achievement of certain regulatory milestones in relation to the remestemcel-L and rexlemestrocel-L platforms.

Due to their commercially sensitive nature, the Company intends to provide further details related to the above performance metrics in the annual report following the achievement of the relevant milestones. It is noted that the milestones may be deemed by the Board to have been only partially met, in which case not all of the grant amount may vest.

The options are also subject to minimum holding periods, whereby they are eligible for vesting in three equal tranches subject to the vesting of the above milestones, on the first, second and third anniversaries of the grant date.

Dr Krause will only realise value from the options in the event that the milestones are achieved, and the share price of the Company exceeds the options exercise price (set based on the share price when the Board approved the grant of the options).

The 985,000 milestone-based options will be issued to Dr Krause in accordance with the Employee Share Option Plan, the terms and conditions of which are described in this Explanatory Memorandum at pages 14 to 17.

ASX Listing Rule 10.15 requires that the meeting documents concerning a proposed resolution to approve an issue of equity securities, in accordance with ASX Listing Rule 10.14, must include the information below:

<b>The name and category which the person falls within in Listing Rule 10.14.1 – 10.14.3 and why</b>	Dr Philip Krause is a Director of the Company.
<b>The number and class of securities proposed to be issued to the person</b>	The total number of options that may be issued to Dr Krause is 985,000 milestone-based options.
<b>If the person is a director, the details (including the amount) of the director's current total remuneration package</b>	Dr Krause receives a monthly cash retainer together with the proposed 985,000 milestone-based options as consultancy fees for the 12 months commencing on 1 October 2023. Dr Krause no longer receives director fees for his services as a director of the Company.
<b>The number of securities that have previously been issued to the person under the scheme and the average acquisition price (if any) paid by the person for those securities</b>	Dr Krause has a total of 200,000 outstanding options that were previously issued under the Employee Share Option Plan. The previous grant has the following exercise price: A\$1.01 (200,000 options)
<b>If the securities are not fully paid ordinary shares, a summary of the material terms of the securities, an explanation of why that type of security is being used and the value attributed to that security and its basis</b>	<p>The options issued to Dr Krause will have terms and conditions attaching to the Employee Share Option Plan which are described in this Explanatory Memorandum at pages 14 to 17.</p> <p>Options have been selected as the instrument for the consultancy fees because they conserve cash, align with shareholder interests, and focus on ensuring a strategy, risk management, and execution that optimizes shareholder value.</p> <p>The value attributed to each option is calculated using the Black Scholes formula, based on the 5-day VWAP up to the date of Board approval of the options and is A\$0.24 per option.</p>
<b>The date or dates on or by which the Company will issue the securities to the person under the scheme which must not be later than 3 years after the date of this meeting</b>	If Item 8 is approved by shareholders, the corresponding options will be issued no later than 12 months after this meeting.

<b>The exercise price at which the Company will issue the securities to the person under the scheme</b>	A\$0.39 per option that may be issued to Dr Krause.
<b>A summary of the material terms of the scheme</b>	See table above on pages 14 to 17.
<b>No loans</b>	No loans are proposed in connection with the proposed issue of options.
<b>Additional disclosures</b>	<p>If Item 8 is passed, the Company will proceed with the issue of the milestone-based options to Dr Krause.</p> <p>If Item 8 is not passed, the Company will not be able proceed with the issue of the milestone-based options to Dr Krause and the Company will review alternatives to compensate Dr Krause in cash.</p> <p>Details of any securities issued under the scheme will be published by the Company in its annual report relating to the relevant period in which they are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.</p> <p>Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after this resolution is approved by shareholders and who are not named in this Notice of AGM will not participate until shareholder approval is obtained under Listing Rule 10.14.</p>

If Item 8 is approved by shareholders, then in accordance with Exception 14 in ASX Listing Rule 7.2, and Exception 8 in ASX Listing Rule 10.12, an issue of securities made with the approval of the holders of an entity's ordinary securities under ASX Listing Rule 10.14 operates as an exception to ASX Listing Rule 7.1 and ASX Listing Rule 10.11 respectively.

**Recommendation**

The Directors (with Dr Krause abstaining) recommend that shareholders vote in favour of Item 8.

## Item 9 - Ratification of Issue of Securities to Institutional Investors

The Company is seeking the approval of shareholders for the purposes of ASX Listing Rule 7.4 and for all other purposes, in respect of the issue of fully paid ordinary shares in the Company (Shares) that was made by the Company resulting from the private placement announced to the ASX on 26 April 2023 (which summarises the material terms of the relevant agreement under which the Shares were issued), as set out in the table below.

<b>Persons to whom the issue was made</b>	The Shares were issued to sophisticated and professional investors under a private placement led by a strategic US investor group.
<b>Date of issue of Shares</b>	1 May 2023.
<b>Number of Shares issued</b>	77,083,607.
<b>Issue price per Share</b>	A\$0.85 per Share.
<b>Class and material terms of Shares issued</b>	Fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares.
<b>Use of the funds raised</b>	Funds raised from the Shares have and will be used for: <ul style="list-style-type: none"> <li>• commercialisation of the Company's lead product, remestemcel-L in the treatment of children with steroid-refractory acute graft versus host disease (SR-aGVHD) subject to approval by the US Food &amp; Drug Administration;</li> <li>• ongoing manufacturing activities; and</li> <li>• initiation of patient enrolment in the confirmatory Phase 3 clinical trial of rexlomestrol-L for chronic low back pain associated with degenerative disc disease.</li> </ul>

The issue of the above Shares (in this Item 9) was within the 15% limitation imposed by ASX Listing Rule 7.1.

Under ASX Listing Rule 7.1, the Company may not issue equity securities in excess of 15% of its share capital in any 12-month rolling period without shareholder approval, unless an exception in ASX Listing Rule 7.2 applies.

ASX Listing Rule 7.4 permits a company to obtain subsequent approval of a prior issue of securities from its shareholders. Such subsequent approval means the prior issue of securities is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and thereby refreshes the Company's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of Shares being approved under this resolution.

If the resolution in Item 9 is not passed, the issue of the relevant Shares noted above will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 months following the issue date for those Shares.

As noted above, shareholder approval is now being sought for the purposes of ASX Listing Rule 7.4.

### Recommendation

The Directors recommend that shareholders vote in favour of Item 9.

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## Information on voting, proxies, corporate representatives and attorneys

### Eligibility to Vote

For the purpose of voting at the AGM, the Directors have determined that all shares in the Company are taken to be held by the persons who are registered as holding them at **7pm (Melbourne time, AEDT) on 26 November 2023**. The entitlement of shareholders to vote at the AGM will be determined by reference to that time.

### All Resolutions by Poll

In accordance with clause 45.3 of the Company's constitution and consistently with recent amendments to the Corporations Act, the Chair intends to call a poll on each of the resolutions proposed at the AGM as set out in the Notice of Meeting. Voting on each resolution considered at the AGM will therefore be conducted by poll, rather than a show of hands.

### Voting by Proxy

Please note that:

- a shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint a proxy. A shareholder who is entitled to cast two or more votes may appoint not more than two proxies;
- a proxy may be either an individual or a corporation, and need not be a shareholder of the Company;
- a single proxy exercises all voting rights of the relevant shareholder;
- where two proxies are appointed, the shareholder may specify the proportion or number of that shareholder's votes that each proxy is appointed to exercise. If a shareholder appoints two proxies and does not specify each proxy's voting rights, each proxy may exercise half the votes. Fractions of votes are to be disregarded;
- a proxy need not vote in that capacity (unless the proxy is the Chair of the AGM) on a poll. However, if the proxy's appointment specifies the way to vote on a resolution, and the proxy decides to vote in that capacity on that resolution, the proxy must vote the way specified (subject to the voting exclusions noted above);
- if a proxy does not attend the AGM then the Chair of the AGM will be taken to have been appointed as the proxy of the relevant shareholder in respect of the AGM; and
- if the Chair of the AGM is appointed, or taken to be appointed, as a proxy, but the appointment does not specify the way to vote on a resolution, then the Chair intends to exercise the relevant shareholder's votes in favour of the relevant resolution (subject to the voting exclusions noted on pages 5 to 6).

To be valid, the appointment of a proxy must be received by **12pm (Melbourne time, AEDT) on 26 November 2023** using one of the following methods:

- faxing the proxy appointment form, along with the power of attorney or other authority (if any) under which the form is signed, to +61 2 9287 0309; or
- lodging the proxy appointment form (online, by mail or in person) along with the power of attorney or other authority (if any) under which the form is signed (or a certified copy thereof), as follows:

**ONLINE:** by logging into Investor Centre at the following website address – **www.linkmarketservices.com.au** – using the holding details as shown on your proxy form and select 'Voting' and follow the prompts to lodge your vote

**BY MAIL:** Mesoblast Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney, South NSW 1235, Australia

**BY HAND:** Link Market Services  
Level 12, 680 George Street, Sydney, NSW 2000, Australia

A personalised proxy appointment form has been sent to shareholders.

**Voting by Corporate Representatives**

A shareholder or proxy that is a corporation and entitled to attend and vote at the AGM may appoint an individual to act as its corporate representative. Evidence of the appointment of a corporate representative must be in accordance with the Corporations Act and must be lodged with the Company before the AGM.

**Voting by Attorney**

A shareholder entitled to attend and vote at the AGM is entitled to appoint an attorney to attend and vote at the AGM on the shareholder's behalf. An attorney need not be a shareholder of the Company.

The power of attorney appointing the attorney must be duly executed and specify the name of each of the shareholder, the Company and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as outlined above for proxy appointment forms.

**Evidence of execution**

If any instrument (including a proxy appointment form or appointment of corporate representative) returned to the Company is completed by an individual or a corporation under power of attorney, the power of attorney under which the instrument is signed, or a certified copy of that power of attorney, must accompany the instrument unless the power of attorney has previously been noted by the Company or the Company's share registry.

 **mesoblast**

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**LODGE YOUR VOTE****ONLINE**  
<https://investorcentre.linkgroup.com>**BY MAIL**  
Mesoblast Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia**BY FAX**  
+61 2 9287 0309**BY HAND\***  
Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000

\*during business hours Monday to Friday (9:00am - 5:00pm)

**ALL ENQUIRIES TO**  
Telephone: 1300 554 474 Overseas: +61 1300 554 474**LODGE A PROXY FORM**

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **12:00pm (Melbourne Time, AEDT) on Sunday, 26 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

**ONLINE**  
<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

**HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM****YOUR NAME AND ADDRESS**

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

**APPOINTMENT OF PROXY**

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

**DEFAULT TO CHAIR OF THE MEETING**

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the items are connected directly or indirectly with the remuneration of KMP.

**VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT**

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

**APPOINTMENT OF A SECOND PROXY**

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

**SIGNING INSTRUCTIONS**

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

**CORPORATE REPRESENTATIVES**

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at [vote@linkmarketservices.com.au](mailto:vote@linkmarketservices.com.au) prior to the Meeting in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

NAME SURNAME  
ADDRESS LINE 1  
ADDRESS LINE 2  
ADDRESS LINE 3  
ADDRESS LINE 4  
ADDRESS LINE 5  
ADDRESS LINE 6



X99999999999

## PROXY FORM

I/We being a member(s) of Mesoblast Limited and entitled to attend and vote hereby appoint:

STEP 1

### APPOINT A PROXY

the Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **12:00pm (Melbourne Time, AEDT) on Tuesday, 28 November 2023** at **MinterEllison, Collins Arch, Level 20, 447 Collins Street Melbourne Victoria 3000** (the Meeting) and at any postponement or adjournment of the Meeting.

Shareholders unable to attend may view the meeting by webcast via the following website: <https://meetings.linkgroup.com/MSBAGM23>, however this does not provide for asking questions or voting.

**Important for Items 2, 5a, 5b, 6a, 6b, 7 & 8:** If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Items 2, 5a, 5b, 6a, 6b, 7 & 8, even though the Items are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Items	For	Against	Abstain*		For	Against	Abstain*
2 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6b Approval of Proposed Issue of Options to Dr Eric Rose in Lieu of 30% of Base Salary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Amendment to the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of Proposed Issue of Options to Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4a Re-election of Mr Philip Faccina as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8 Approval of Proposed Issue of Options to Director, Dr Philip Krause	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4b Re-election of Mr William Burns as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Ratification of Issue of Securities to Institutional Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5a Approval of Proposed Issue of Options to Dr Silviu Itescu in Connection with his Long-Term Incentive Remuneration for the 2023/2024 Financial Year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5b Approval of Proposed Issue of Options to Dr Silviu Itescu in Lieu of 30% of Base Salary	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6a Approval of Proposed Issue of Options to Dr Eric Rose in Connection with his Long-Term Incentive Remuneration for the 2023/2024 Financial Year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

MSB PRX2301N



**LODGE YOUR QUESTIONS**

-  **ONLINE**  
<https://investorcentre.linkgroup.com>
-  **BY MAIL**  
Mesoblast Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia
-  **BY FAX**  
+61 2 9287 0309
-  **BY HAND**  
Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000
-  **ALL ENQUIRIES TO**  
Telephone: 1300 554 474    Overseas: +61 1300 554 474



**X9999999999**

Please use this form to submit any questions about Mesoblast Limited ("Company") that you would like us to respond to at the Company's 2023 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the Notice of Meeting and Explanatory Memorandum which is available on the Company's website: <https://mesoblast.com/agm23>. If your question is for the Company's auditor it should be relevant to the content of the auditor's report, or the conduct of the audit of the financial report.

This form must be received by the Company's share registrar, Link Market Services Limited, by **5:00pm (Melbourne time AEDT) on Tuesday, 21 November 2023**.

Questions will be collated. During the course of the Annual General Meeting, the Chair of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company's auditor the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

**QUESTIONS**

My question relates to *(please mark the most appropriate box)*

- |   |   |                                |
|---|---|--------------------------------|
| <input type="checkbox"/> Performance or financial reports               | <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Other |
| <input type="checkbox"/> Remuneration Report                            | <input type="checkbox"/> Future direction               |                                |
| <input type="checkbox"/> Environmental, Social and Governance Statement | <input type="checkbox"/> General suggestion             |                                |

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- |   |   |                                |
|---|---|--------------------------------|
| <input type="checkbox"/> Performance or financial reports               | <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Other |
| <input type="checkbox"/> Remuneration Report                            | <input type="checkbox"/> Future direction               |                                |
| <input type="checkbox"/> Environmental, Social and Governance Statement | <input type="checkbox"/> General suggestion             |                                |

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