

Notice of Annual General Meeting of Shareholders

The annual general meeting of shareholders (**AGM**) of Aroa Biosurgery Limited (ASX: ARX) (the **Company**) is scheduled for 11.00 am (NZST) / 9.00 am (AEST) on Tuesday, 23 July 2024.

The AGM will be held as a hybrid meeting:

- **Physical attendance:** shareholders may attend the AGM in person at the Company's registered office at 64 Richard Pearse Drive, Mangere, Auckland, New Zealand.
- **Online attendance:** shareholders may also attend the AGM online, by registering in advance (Topic: ARX Annual General Meeting [here](#)). After registering, you will receive a confirmation email containing information about joining the meeting.

Shareholders are strongly encouraged to submit their proxies as early as possible, and in any event before the cut-off for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your personalised proxy form which (together with a link to this Notice) will be provided to you.

BUSINESS OF THE MEETING

Item 1: Board Chair's address

Item 2: CEO's address

Item 3: Consideration of financial results

To receive and consider the Company's Financial Statements and Audit Report for the financial year ended 31 March 2024.

The Company's Annual Financial Statements and Audit Report for the financial year ended 31 March 2024 is available at <https://aroa.com/investors/>. Each shareholder has a right to receive from the Company, free of

charge, a printed copy of the Annual Report if they submit a request to the Company within 15 working days of receiving this Notice.

Item 4: Resolutions

To consider, and if thought appropriate, pass each of the following resolutions as ordinary resolutions:

Resolution 1: Retirement by rotation and re-election of Mr Philip McCaw

That in accordance with the Company's Constitution and ASX Listing Rule 14.4, Mr McCaw, who was re-elected to the Board in July 2021 retires by rotation and being eligible, offers himself for re-election as a director of the Company.

Resolution 2: Retirement by rotation and re-election of Mr John Pinion

That in accordance with the Company's Constitution and ASX Listing Rule 14.4, Mr Pinion, who was re-elected to the Board in July 2021 retires by rotation and being eligible, offers himself for re-election as a director of the Company.

Resolution 3: Election of Ms Darla Hutton

That in accordance with the Company's Constitution and ASX Listing Rule 14.4, Ms Hutton, who was appointed to the Board from March 2024 until the Company's next annual general meeting and being eligible, offers herself for election as a director of the Company.

Resolution 4: Auditor's remuneration

That the Board is authorised to fix the auditor's remuneration for the financial year ending 31 March 2025.

Voting restrictions apply to resolutions 5 & 6, details of which are described in the Explanatory Notes.

Resolution 5: Issue of shares to Ms Darla Hutton

That for the purposes of ASX Listing Rule 10.11 and for all other purposes, (conditional upon her election as a director of the Company under Resolution 3) approval is given for the Company to issue to Ms Hutton (or her nominee) 140,110 ordinary shares in the Company, on the terms and conditions set out in the Explanatory Notes (the **Shares**).

Consistent with the value of securities provided to the Company's other non-executive directors, the Shares reflect a per annum value of ~NZ\$40,000 for two years.

Resolution 6: Issue of LTI to Mr Brian Ward

That for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue to Mr Ward (or his nominee) up to 961,255 performance share rights with a maximum aggregate value of ~NZ\$568,000, on the terms and conditions set out in the Explanatory Notes.

Item 5: Other business

To consider any other business, including shareholder questions, that may properly be brought before the meeting.

By order of the Board



Jim McLean

Independent Chair of the Board

PROCEDURAL NOTES

Persons entitled to vote

The persons who will be entitled to vote on the resolutions at the AGM are those persons who are shareholders of the Company at 7.00 pm (NZST) / 5.00 pm (AEST) on Sunday 21 July 2024.

Casting a vote

As detailed below you or your proxy may vote for or against, or abstain from, each of the resolutions. Votes may be cast in any of the following ways:

Direct vote at the meeting

Shareholders will be able to vote on the resolutions and ask questions during the meeting; whether they are attending in-person or online. Please note that if attending online, shareholders must register their attendance *before the meeting starts* in order to vote at the meeting. Further information will be provided at the meeting on how to vote and ask questions.

The Company strongly recommends that shareholders vote (either directly or by proxy) as soon as possible in advance of the AGM, even if they are planning to attend.

Direct vote prior to the meeting

Shareholders can directly cast a vote prior to the AGM:

1. by voting online in accordance with the details set out in their personalised Voting/Proxy Form; or
2. by post, by completing and lodging their personalised Voting/Proxy Form with the Company's Share Registrar, Boardroom Pty Limited in accordance with the instructions set out in that form.

Please note that in either case, the vote must reach Boardroom Pty Limited not later than 48 hours before the time of the AGM (i.e. 11.00 am (NZST) / 9.00 am (AEST) on Sunday 21 July 2024). The Board has authorized Boardroom Pty Limited to receive and count postal votes.

Proxy vote

Shareholders may appoint a proxy to attend the AGM online or in person, and vote in their place.

If you wish to vote by proxy, you must complete your personalised Voting/Proxy Form and ensure it (and any power of attorney or other documents referred to in the Voting/Proxy Form) is received by Boardroom Pty Limited not later than 48 hours before the time of the AGM (i.e. 11.00 am (NZST) / 9.00 am (AEST) on Sunday 21 July 2024).

If you wish to appoint a proxy:

- The proxy does not need to be a shareholder.
- You may direct your proxy how to vote, or give your proxy discretion to vote as they see fit. If you wish to give your proxy that discretion, you should mark the appropriate box on the Voting/Proxy Form. If you do not mark an appropriate box on the Voting/Proxy Form, then your proxy may vote or abstain from voting as they see fit.
- The Chair of the meeting, or any other director, is willing to act as proxy. If you appoint the Chair of the meeting as proxy but do not give them directions about how to vote on a particular resolution, they will vote your shares in favour of each of the resolutions.

Any corporate shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Companies Act 1993 (NZ) authorising him or her to act as that company's representative. The authority must be sent to the Company and/or registry in advance of the AGM or if attending the meeting in-person, provided during registration.

How the Chair will vote undirected proxies

Subject to the relevant voting restrictions, the Chair of the meeting will vote undirected proxies in favour of all the proposed resolutions. In exceptional circumstances, the Chair may change his or her voting intention on a resolution, in which case an ASX announcement will be made.

Ordinary resolutions

Each resolution is to be considered as a separate ordinary resolution, requiring approval by a simple majority (i.e. greater than 50%) of the votes of shareholders entitled to vote and voting on each resolution (in person or by proxy).

Voting restrictions

Voting restrictions apply to resolutions 5 and 6, details of which are provided in the Explanatory Notes. There are no voting restrictions for resolutions 1 to 4.

EXPLANATORY NOTES

We encourage shareholders to read all of the materials accompanying this Notice, including the Explanatory Notes below.

Resolutions 1 & 2: Re-election of Directors

Under the Company's Constitution and ASX Listing Rule 14.4, a director of an entity must not hold office (without re-election) past the third annual general meeting following their appointment or three years, whichever is longer. This rule applies from the time of an entity's admission to the official list of ASX (**Admission**) and does not apply to a company's managing director.

All directors of the Company at Admission (excluding Mr Brian Ward as Managing Director) have been re-elected at annual general meetings held since Admission. Mr Philip (Phil) McCaw and Mr John Pinion were last re-elected as directors of the Company at the AGM held in July 2021. Accordingly, they are each retiring by rotation at the AGM, and being eligible, are offering themselves up for re-election as directors of the Company.

The Board (with Mr Philip McCaw and Mr John Pinion abstaining on their respective resolutions) supports the re-election of each of Mr McCaw and Mr Pinion, and recommends that shareholders vote in favour of Resolutions 1 and 2.

Mr Philip McCaw

Mr McCaw is a non-executive director of the Company and a member of the Remuneration & Nomination Committee. He is a substantial shareholder in the Company, so is considered by the Board to not be an independent director.

He is based in New Zealand and is the founding partner of Movac, one of New Zealand's leading venture capital funds. He led the original investment round into the Company in 2008, and has worked closely with the Company since then, including by serving on the Board.

Mr McCaw has extensive experience investing in technology companies and helping guide their growth. He has at times been director, chairman and chief executive of different Movac-backed ventures and, since January 2024, is the Chief Executive Officer and Chair of Author-it.

Author-it is a world leader in cloud-based structured component authoring solutions for collaborative content development and multi-channel publishing. The company's offering includes focused products for the life sciences industry and its tools are used by some of the world's largest companies.

Mr McCaw is also an active angel investor, and was an early investor in Trade Me, New Zealand's leading on-line trading community, as well as PowerByProxi, a wireless power technology spin-out from the University of Auckland (NZ). He is a strong advocate for the development of the entrepreneurial and early-stage investment ecosystems in New Zealand and previously chaired the New Zealand Government's Startup Advisors' Council.

Mr McCaw holds a Bachelor of Business Studies (Senior Scholar) from Massey University (NZ).

Mr John Pinion

Mr Pinion is an independent non-executive director of the Company. He chairs the Risk Committee and is a member of the Audit Committee.

He is based in the US and has over 30 years of global experience leading biologic, small molecule pharmaceutical, gene therapy and device operations across Asia, Europe and the Americas. His expertise and leadership spans engineering, quality, manufacturing and translational sciences.

He is currently Executive Vice President, Translational Sciences and Chief Quality Operations Officer, of Ultragenyx. Ultragenyx is a Nasdaq-listed biopharmaceutical company involved in the research and development of novel products for the treatment of rare and ultra-rare genetic diseases. In that role, he leads Ultragenyx's translational sciences functions,

including Pharmacology and Toxicology, Research and Bioanalytical Development, as well as GxP Quality and Compliance and CMC Analytical QC. As a key member of Ultragenyx's executive leadership team reporting directly to the CEO, he also contributes to ongoing business development, clinical development, commercial and strategic planning activities.

Mr Pinion is also an advisory board member for Celestial Therapeutics, Inc., a biopharmaceutical company focused on the development and commercialisation of next-generation novel and ground-breaking mRNA vaccines and therapeutics for the treatment and prevention of a variety of infectious diseases, rare diseases and cancers.

He has previously held operational and senior leadership roles at Genentech (renamed Roche post-Genentech acquisition) and Baxter International.

Mr Pinion holds a B.S. in Mechanical Engineering from West Virginia University.

Resolution 3: Election of director

Under the Company's Constitution and ASX Listing Rule 14.4, a director appointed as an addition to the Board must not hold office (without election) past the next annual meeting following their appointment. Ms Darla Hutton was appointed as a non-executive director of the Company with effect from 22 March 2024 and is accordingly offering herself up for election at the AGM. Ms Hutton is considered by the Board to be an independent director, and she is a member of the Risk Committee.

Ms Hutton is based in the US and brings over 25 years of international leadership expertise in life sciences commercial strategy, operations, sales, marketing and data analytics.

She is currently Vice President of Commercial Operations and Marketing-Asia, at Silicon Valley-based Intuitive Surgical, the global leader in minimally invasive care. A member of the Nasdaq-100 and S&P 500, Intuitive is a pioneer in the field of robotic-assisted surgery and developed the da

Vinci surgical robotic system. Its products are used in 70 countries and to date, in over 12 million procedures.

Ms Hutton has held roles of increasing responsibility at Intuitive, including Vice President of Corporate Accounts-US and Vice President of Marketing, Market Access & Custom Hospital Analytics. She has contributed to the expansion of Intuitive's commercial operations, capabilities and range of global offerings. In addition to her core role, she is also a member of the company's Diversity Council.

Ms Hutton has previously held commercial positions at global medical technology and pharmaceutical companies, including Boston Scientific and GlaxoSmithKline.

She holds a Bachelor of Science and Master of Science.

The Board (with Ms Darla Hutton abstaining) supports Ms Hutton's election and recommends that shareholders vote in favour of Resolution 3.

Resolution 4: Auditor's Remuneration

BDO Auckland Limited (**BDO**) is the Company's auditor and is automatically reappointed under section 207T of the Companies Act 1993 (New Zealand) (**Companies Act**). Under section 207S of the Companies Act, auditors' fees and expenses must be fixed in the manner determined at the AGM. Shareholder approval is therefore sought under this resolution for the Board to fix the audit fees and expenses of BDO for the financial year ending 31 March 2025.

The Board recommends that shareholders vote in favour of Resolution 4.

Resolution 5: Issue of shares to Ms Darla Hutton

Introduction

Under ASX Listing Rule 10.11, a listed company must not issue securities to a director (as they are a 'related party' of the Company) without shareholder approval.

As a director of AROA, Ms Hutton is considered a related party for the purposes of ASX Listing Rule

10.11.1. The purpose of Resolution 5 is to seek shareholder approval for the issue of 140,110 ordinary shares in the Company to Ms Darla Hutton (or her nominee) on the terms and conditions outlined in these Explanatory Notes (the **Shares**).

If shareholder approval is obtained and Resolution 5 is passed, in addition to the approval under ASX Listing Rule 10.11:

- the issue of the Shares will not require separate approval under ASX Listing Rule 7.1; and
- the Shares will not reduce the Company's 15% annual placement capacity under ASX Listing Rule 7.1. The Company will therefore retain flexibility to use that capacity for other purposes.

The Board (with Ms Darla Hutton abstaining) recommends that shareholders vote in favour of Resolution 5. Voting restrictions apply to this Resolution and these are detailed on page 11.

If shareholders do not approve Resolution 5, the Company will not issue the Shares, and the Board will investigate alternative frameworks to encourage share ownership by Ms Hutton.

Please see outlined below further information about the Shares, including the information required to be provided to shareholders under ASX Listing Rule 10.13 (for shareholder approval under ASX Listing Rule 10.11).

Why is the Company seeking to issue the Shares?

As previously communicated, the Board considers it beneficial to encourage share ownership by its non-executive directors (**NEDs**) as this appropriately aligns their interests with the interests of shareholders by giving the NEDs an opportunity to share in the Company's success. This approach also preserves cash for investment into growing the Company.

The Company has previously chosen to facilitate this ownership through the issue of share options. The Company's other NEDs have to date received options valued at ~NZ\$40,000 per annum, and their final tranche of issued share options will become accessible (i.e. vest) on 31 March 2026.

The Board is mindful that the Company's equity award practices continue to evolve with its growing size and maturity, and in 2023 communicated that it was assessing alternative structures that best balance ASX investor expectations whilst competing for Board talent appropriate to an established growth company with a strong US focus. This is under consideration with input from external specialists and, as previously indicated, the Company expects to confirm this new structure in time for the 2025 annual general meeting.

The Company is seeking to issue the Shares to Ms Hutton during this interim period to facilitate ownership in the Company in a manner commensurate with market practice.

The Board also considers it important and fair, subject to benchmarking, to align Ms Hutton's aggregate remuneration package with the other NEDs. There is insufficient headroom in the directors' cash fee pool (approved by shareholders last year) to achieve this by way of cash payment. The proposed award size and vesting date for the grant to Ms Hutton have been adjusted on a pro-rata basis to align with the awards previously approved for Ms Hutton's NED colleagues, and are supported by current benchmarking.

Overview of the Shares

The Shares comprise two tranches of ordinary shares in the Company, together reflecting a per annum value of ~NZ\$40,000 for two years (valued based on the 20-day volume weighted average share price¹ as at 31 March 2024).

The Shares will be issued for nil consideration and will be quoted, ranking equally with the

¹ All references in this document to the 20-Day VWAP reflect a calculation up to the last trading day on or prior to the relevant date.

Company's other ordinary shares on issue. They will be subject to escrow so that they are only accessible by Ms Hutton (or her nominee) after specified periods of service.

The first tranche, comprising 70,055 ordinary shares, will become accessible on 31 March 2025, and the second tranche, comprising 70,055 ordinary shares, will become accessible on 31 March 2026. The timing of that final tranche is consistent with the equity awards which have been issued to the other NEDs to date, so will achieve alignment across all the NEDs. To ensure objectivity in decision-making, the release of Shares from escrow will not be subject to any performance conditions. The Shares will be issued under, and are subject to, an offer letter and voluntary escrow deed. A summary of the material terms is set out in Schedule 1.

Further information in accordance with ASX Listing Rule 10.13

Subject to shareholder approval of Resolutions 3 and 5, the Company is proposing to issue the Shares to Ms Hutton (or her nominee) as soon as practicable, and no later than one month, following the AGM.

For the purposes of ASX Listing Rule 10.13.8, Ms Hutton currently receives annual cash fees of US\$68,000 (~NZ\$111,500). The Company has not previously issued any securities to her, and no loan is being made to her in connection with the issue of the Shares.

Resolution 6: Issue of LTI to Mr Brian Ward

As noted above, ASX Listing Rule 10.11 prohibits a listed company from issuing securities to a director (as they are a 'related party') without shareholder approval.

As a director of AROA, Mr Ward is considered a related party for the purposes of ASX Listing Rule 10.11.1. The purpose of Resolution 6 is to seek shareholder approval for the issue of long-term incentive (**LTI**) to the Company's Chief Executive Officer and Managing Director, Mr Brian Ward. The LTI will be issued in the form of 961,255 performance share rights (**PSRs**) with an

aggregate value of ~NZ\$568,000 and vesting at the end of FY27, on the terms and conditions outlined in these Explanatory Notes (the **CEO PSRs**).

If shareholder approval is obtained and Resolution 6 is passed, in addition to the approval under ASX Listing Rule 10.11:

- the issue of the CEO PSRs will not require separate approval under ASX Listing Rule 7.1; and
- the CEO PSRs (and any shares issued on conversion of vested CEO PSRs) will not reduce the Company's 15% annual placement capacity under ASX Listing Rule 7.1. The Company will therefore retain flexibility to use that capacity for other purposes.

The Board (with Mr Brian Ward abstaining) recommends that shareholders vote in favour of Resolution 6. Voting restrictions apply to this Resolution and these are detailed on page 11.

If shareholders do not approve Resolution 6, the Company will not issue the PSRs. Subject to achievement of the performance hurdles outlined in this Notice, the Board will investigate alternative remuneration arrangements for Mr Ward.

Please see outlined below further information about the CEO PSRs, including the information required to be provided to shareholders under ASX Listing Rule 10.13 (for shareholder approval under ASX Listing Rule 10.11).

Why is the Company seeking to issue the CEO PSRs?

LTIs are an important component of the Company's overall remuneration package for its Executive Management. Being at-risk, they are designed to reward delivery against longer-term business strategy & performance and facilitate appropriate alignment with shareholder interests. LTIs preserve cash for investment into growing the Company and extend the time until the recipient receives the potential benefit, thereby operating as a key retention tool in an environment where the Company is competing in and beyond New Zealand to attract and retain key employees.

As noted above, the Company is, with input from external specialists, evolving its equity award practices in line with its growing size and maturity.

In 2022, the Company moved to annual LTI awards for its Executive Management, each with a vesting date that is three (3) years from grant. Since then, Mr Ward's LTI has comprised a 50/50 mix of service-based and performance-based share options. His previously issued LTI has a final vesting date of March 2026. The LTI grant that is subject to resolution 6, will be eligible to vest in March 2027.

The Board's current intention is that the Company will shift away from Executive Management LTI in the form of service-based LTI or share options, moving solely to performance-based LTI in the form of PSRs.

The Board is keenly focused on delivering shareholder value and this move to 100% performance-based LTI supports that. PSRs are similar in some respects to the performance-based share options previously issued to Executive Management as both are at-risk, requiring the achievement of nominated performance milestones in order to 'convert' to ordinary shares. The Board has elected to proceed with PSRs (vs performance-based share options) as they have a smaller impact on the Company's overall issued capital and yield administrative benefits.

The value and structure of the CEO PSRs are in line with market, reflecting feedback from external specialists and benchmarking data. Compared to alternative cash-based forms of remuneration, the CEO PSRs will also preserve Company cash flow for investment into growth and profitability.

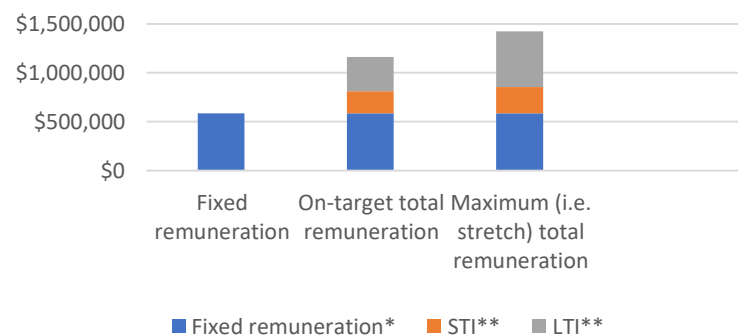
Overview of CEO PSRs

The CEO PSRs comprise up to 961,255 PSRs, with a maximum aggregate value of ~NZ\$568,000. This reflects a value per CEO PSR of ~NZ\$0.59, reflecting the 20-day VWAP as at 31 March 2024, converted to NZ\$. The PSRs will be issued for nil consideration and will not be quoted.

At a high level, each PSR represents a contractual right for the holder to exercise that PSR for one

ordinary share at no cost. The number of PSRs that will become exercisable (if any) will depend on satisfaction of performance against specified hurdles over the pre-defined period. As such, please note that the number and value of CEO PSRs for which the Company is seeking approval represents a 'stretch' position, which is the maximum Mr Ward could receive if the Company achieves highly exceptional performance (i.e. 'stretch' hurdles). A lesser amount, reflecting 'On-Target' LTI of 589,563 PSRs at a value of NZ\$348,000, is considered to be more likely. Information on the performance hurdles applying to the CEO PSRs is set out in the section headed 'Performance conditions'.

For the purposes of ASX Listing Rule 10.13.8, a graphical representation of Mr Ward's remuneration package for FY25 is set out below. The Board has elected to structure a large component of Mr Ward's overall remuneration package as at-risk to further incentivise long-term performance that is aligned with increasing shareholder value.



*Comprising base salary and legislative superannuation, together in the amount of ~NZ\$585,000.

**STI targets are heavily weighted toward revenue and profitability metrics. On-target STI is in the amount of ~NZ\$227,000, and at stretch is ~NZ\$268,000.

***The LTI shown above is the CEO PSRs that are subject to shareholder approval at this Meeting (i.e. on-target value of ~NZ\$348,000, and stretch value of NZ\$568,000). This excludes the non-cash accounting cost of equity awards granted to date.

Performance conditions

The number of PSRs (if any) that will vest will depend on the Company's performance from 1 April 2024 to 31 March 2027, against the performance hurdles outlined below. Subject to

Board discretion, vesting is also conditional on Mr Ward's continued service to the Company in an equivalent position. The Board reserves the right to adjust the conditions of the CEO PSRs or vesting outcomes, to ensure that Mr Ward is neither penalised nor provided with a windfall benefit arising from matters outside his control.

1. Relative TSR criteria - assesses, during the three (3) year period commencing 1 April 2024 to 31 March 2027, the Company's Total Shareholder Return (**TSR**) against the TSR of the top 50 (by market capitalization) ASX-listed healthcare companies as at 31 March 2024.

A 20-day VWAP will be used in assessing TSR performance.

2. 3-year Revenue CAGR criteria - using the Company's full-year total revenue as released to the ASX, this assesses the Company's Compound Annual Growth Rate of Revenue (**CAGR**) over the FY25, FY26 and FY27 financial years.
3. 3-year EBITDA % criteria - using the Company's EBITDA as released to the ASX, this assesses the Company's EBITDA as a % of total revenue for the FY27 financial year.

Performance Criteria	Weighting	Hurdle	Vesting scale	# of CEO PSRs eligible to vest	Notes regarding vesting
Relative TSR	33%	75th percentile	100%	320,418	Sliding scale***
		50th percentile	50%	160,209	
		<50th percentile	0%	Nil	Nil
3-year Revenue CAGR*	33%	30% - i.e. FY27 constant currency revenue of NZ\$157m	100%	320,418	Sliding scale***
		25% - i.e. FY27 constant currency revenue of NZ\$134m	67%	214,680	
		20% - FY27 constant currency revenue of NZ\$120m	33%	105,737	
		<20% - i.e. FY27 constant currency revenue < NZ\$120m	0%	Nil	Nil
3-year EBITDA % of revenue**	33%	20%	100%	320,418	Sliding scale***
		17%	67%	214,680	
		14%	33%	105,737	
		<14%	0%	Nil	Nil

* 3-year revenue CAGR assumes a constant currency of US\$0.61, which was the average exchange rate during FY24.

**EBITDA reflects the accounting EBITDA (on a non-adjusted basis).

***Sliding scale refers to straight-line vesting between the upper and lower limits.

The full 961,255 CEO PSRs will be eligible for vesting if the Company achieves a 75th percentile relative TSR ranking during the period 1 April 2024 to 31 March 2027, FY27 constant currency revenue of NZ\$157m and FY27 EBITDA of NZ\$31.4m (assuming a currency of US\$0.61). On-target performance (i.e. 589,569 CEO PSRs) reflects a 50th percentile relative TSR ranking during that period, FY27 constant currency revenue of NZ\$134m and FY27 EBITDA of NZ\$22.78m (assuming a currency of US\$0.61).

Further information in accordance with ASX Listing Rule 10.13

The PSRs (and any shares issued on conversion of vested CEO PSRs) will be issued under, and are subject to, an offer letter. A summary of the material terms of that letter is set out in Schedule 2.

Subject to shareholder approval of Resolution 6, the Company is proposing to issue the PSRs to Mr Ward (or his nominee) as soon as practicable, and no later than one month, following the AGM.

No loan is being made to Mr Ward in connection with the issue of the CEO PSRs. As this is the first time that the Company is issuing PSRs, no PSRs have previously been issued to Mr Ward.

Voting Restrictions:

The Company will disregard any votes cast:

- in favour of Resolution 5 by Ms Hutton (or any of her associates) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); and
- in favour of Resolution 6 by Mr Ward (or any of his associates) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chairperson of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the chairperson to vote on the resolution as the chairperson decides; or
- 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 resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

No other material information

Other than set out in these Explanatory Notes, and other than information previously disclosed to shareholders, there is no other information that is known to the directors which may reasonably be expected to be material to the making of a decision by shareholders whether or not to vote in favour of the items proposed at the AGM.

SCHEDULE 1: SUMMARY OF MATERIAL TERMS APPLYING TO THE SHARES

The issue of the Shares to Ms Hutton or her nominee (the **Nominated Holder**) is subject to an offer letter and voluntary escrow deed, the key terms of which are outlined below.

Term	Outline
Grant	The grant has an effective date of 1 April 2024 and is conditional on receipt of shareholder approval and entry into the escrow deed.
Shares	The Company intends to quote the Shares, and they will be registered on the Company's share register in the name of the Nominated Holder. The Shares will rank equally with other ordinary shares issued by the Company but are 'restricted securities' under US securities laws as they have not been registered under the US Securities Act of 1933.
Escrow period	For half (70,055) of the Shares, from the issue date of such shares to 31 March 2025. The remaining half (70,055) are escrowed from the issue date to 31 March 2026.
Rights during escrow period	During the escrow period, the Nominated Holder will be entitled to receive or participate in dividends or other distributions (e.g. bonus issues) in respect of the Shares. The Nominated Holder will also be entitled to exercise voting rights in respect of the Shares.
Standard restrictions during escrow period	Other than disposal required by law or in the circumstances outlined in the subsequent rows, the Nominated Holder cannot seek to sell, transfer, encumber or otherwise deal with the Shares during the escrow period - except to a permitted associate who enters into an escrow arrangement with the Company on substantially similar terms.
Corporate transactions during escrow period	The Nominated Holder may participate (in respect of the Shares) in a takeover bid, merger, share buyback or similar capital reduction that occurs during the applicable escrow period, but the escrow restrictions shall continue to apply if the corporate transaction does not proceed as contemplated.
Special circumstances during escrow period	The Nominated Holder may by written notice to the Company request that the Shares be released from the restrictions under the escrow deed. The Company's Board may agree to release all, or some of the Shares, or refuse to release any Shares, at its absolute discretion.
Cessation of service as a director	If you cease to be a director before the end of an escrow period, unless the Board determines otherwise, the Nominated Holder's entitlement to the applicable Shares will be forfeited and the Shares may be bought back by the Company for nominal consideration and cancelled (subject to shareholder approval, where necessary), or the Board may elect to transfer the Shares to a trustee or another third party to be held temporarily and subsequently transferred for valid corporate purposes, or the Board may choose to otherwise dispose of the Shares in accordance with applicable law.

SCHEDULE 2: SUMMARY OF MATERIAL TERMS APPLYING TO THE CEO PSRs

The issue of the CEO PSRs to Mr Ward or his nominee (the **Nominated Holder**) is subject to an offer letter and voluntary escrow deed, the key terms of which are outlined below.

Term	Outline
Grant	The grant has an effective date of 1 April 2024 and is conditional on receipt of shareholder approval.
CEO PSRs	Each CEO PSR will be issued for nil consideration, and subject to applicable vesting conditions being met, entitles the Nominated Holder to (for nil consideration) subscribe for and be allotted one fully paid ordinary share in the Company (ranking equally with the Company's then issued fully paid ordinary shares).
Quotation	The CEO PSRs will not be quoted on any stock exchange. Provided the Company is listed on the ASX at the time of exercise, the Company will apply for official quotation by the ASX of all shares issued upon exercise of the CEO PSRs.
Vesting	Unless the Board determines otherwise, Vesting is conditional upon (i) Mr Ward remaining in continuous employment by the Company or a subsidiary in his current or equivalent position on the specified Vesting Date; and (ii) achievement of the specified performance hurdles. The Company will on or around July 2027 notify the Nominated Holder of the number of CEO PSRs that have Vested (Vesting Notification). All CEO PSRs that have not Vested will immediately lapse.
Exercise	All Vested CEO PSRs shall be deemed to have been automatically exercised on the Vesting Notification date, other than to the extent the Nominated Holder notifies the Company within ten business days from the Vesting Notification date of their election to surrender a specified number of CEO PSRs.
Termination Date	Unless earlier lapsed, exercised or surrendered, all CEO PSRs will immediately expire on 1 August 2027.
Restrictions	Without the prior approval of the Board, CEO PSRs may not be sold, transferred, encumbered or otherwise dealt with. The Board may cancel any CEO PSR which becomes subject to a breach by the Nominated Holder.
Rights prior to exercise	There are no participating rights or entitlements inherent in the CEO PSRs and the Nominated Holder will not be entitled to participate in new issues of capital offered to shareholders unless the CEO PSRs have first vested and been exercised. If required by the ASX Listing Rules, the Nominated Holder will be notified of the proposed issues in accordance with the ASX Listing Rules.
Clawback	If it is found that Mr Ward has acted fraudulently, dishonestly or in breach of contract, or there is a material financial misstatement or error with respect to satisfaction of any performance condition attaching to the CEO PSRs, the Board may in its absolute discretion (subject to applicable law) amend the terms of the Grant, or seek to recover any benefits received in connection with the Grant, to ensure that the Nominated Holder does not receive or retain an unfair benefit. This may include (without limitation) deeming some or all of the CEO PSRs to have lapsed or requiring payment of the market value of the shares received on exercise of the CEO PSRs.

Term	Outline
Change of control or major transaction	<p>Considering factors including Company performance, the Board may in its absolute discretion accelerate vesting of the CEO PSRs in the event of:</p> <ul style="list-style-type: none"> • a single corporate transaction, or series of corporate transactions, which will result in a change of control of the Company; or • the sale or disposal of the Company's assets which constitutes a "major transaction" as defined in section 129 of the Companies Act 1993 (New Zealand). <p>In this context, the number of shares that corresponds to the number of vested CEO PSRs exercised, will be issued to the Nominated Holder prior to the change of control or major transaction.</p>
Capital reorganisation	<p>In the event of any reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of the Company or a bonus issue of shares to shareholders prior to exercise of the CEO PSRs, the rights of the Nominated Holder will be varied to ensure they are not materially advantaged or disadvantaged in respect of their incentives as a result of such corporate actions and in any case, to the extent necessary to comply with, and as required by, the ASX Listing Rules.</p>
Amendments	<p>To the extent permitted by applicable law, the Board retains the discretion to vary the terms and conditions applying to the CEO PSRs with the agreement of the Nominated Holder or if the Board considers that the interests of Mr Ward are not materially prejudiced. The Board also reserves the right to adjust the conditions of the CEO PSRs or vesting outcomes, to ensure that Mr Ward is neither penalised nor provided with a windfall benefit arising from matters outside his control.</p>

DIRECTORY

Issuer

Aroa Biosurgery Limited
64 Richard Pearse Drive
Mangere
Auckland 2022
New Zealand

www.aroa.com/investors

Joint company secretaries

James Agnew, Chief Financial Officer
Tracy Weimar, +61 3 9692 7222

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AROA

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YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11.00 am (NZST) / 9.00 am (AEST) on Sunday 21st July 2024.**

TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/arxagm2024>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

The voting form can be used to either vote directly (Section 1) OR appoint a proxy to vote on your behalf (Section 2).

SECTION 1: DIRECT VOTING

If you wish to vote directly, you should clearly mark the box in Section 1 and the boxes in Section 3 to indicate your voting instruction for each resolution. Please only mark either "for" or "against" for each resolution. Do not mark the "abstain" box if you are voting directly. If no direction is given on a resolution, or if you complete both the boxes in Section 1 and 2, your vote may be passed to the Chairman of the Meeting as your proxy. Securityholders, custodians and nominees may identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid. The Chairman's decision as to whether a direct vote is valid is final and conclusive.

SECTION 2: APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Section 2. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting or does not vote on a poll in accordance with your instructions, the Chairman of the Meeting will be your proxy by default. A proxy need not be a Securityholder of the company. Do not write the name of the issuer company or the registered Securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two 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 contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two forms. On each form state the percentage of your voting rights or the number of securities 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.
- return both forms together in the same envelope.

SECTION 3: VOTING DIRECTIONS

To cast your direct vote or to direct your proxy how to vote, place a mark in one of the boxes opposite each resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any resolution by inserting the percentage or number that you wish to vote in the appropriate box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%. If you do not mark any of the boxes on a given resolution, your proxy may vote as he or she chooses (subject to

any voting restrictions that apply to your proxy). If you mark more than one box on a resolution for all your securities your vote on that resolution will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the Meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

SECTION 4: SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the Securityholder.

Joint Holding: where the holding is in more than one name, all the Securityholders should sign.


Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**


STEP 4 LODGEMENT


Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, being by **11.00 am (NZST) / 9.00 am (AEST) on Sunday 21st July 2024**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

 **Online** <https://www.votingonline.com.au/arxagm2024>

 **By Fax** + 61 2 9290 9655

 **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

 **In Person** Boardroom Pty Limited
Level 8, 210 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

SECTION 1 DIRECT VOTING

I/We being a member/s of **Aroa Biosurgery Limited** ARBN 638 867 473 (**Company**) and entitled to attend and vote hereby **elect** to vote as recorded in Section 3 below in relation to the Annual General Meeting of the Company to be held as a **hybrid meeting simultaneously via** https://us02web.zoom.us/webinar/register/WN_9469HkK_QB-gbPtXR7v38w and at the **offices of the Company, 64 Richard Pearse Drive, Mangere, Auckland on Tuesday, 23 July 2024 at 11.00 am (NZST), being 9.00 am AEST** and at any adjournment of that Meeting.

SECTION 2 APPOINT A PROXY

I/We being a member/s of **Aroa Biosurgery Limited** ARBN 638 867 473 (**Company**) and entitled to attend and vote at the Annual General Meeting (**Meeting**) hereby appoint:

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 (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held as a **hybrid meeting simultaneously via** https://us02web.zoom.us/webinar/register/WN_9469HkK_QB-gbPtXR7v38w and at the **offices of the Company, 64 Richard Pearse Drive, Mangere, Auckland on Tuesday, 23 July 2024 at 11.00 am (NZST), being 9.00 am AEST**, and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

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

SECTION 3 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Retirement by rotation and re-election of Mr Philip McCaw	<div></div>	<div></div>	<div></div>
Resolution 2	Retirement by rotation and re-election of Mr John Pinion	<div></div>	<div></div>	<div></div>
Resolution 3	Election of Ms Darla Hutton	<div></div>	<div></div>	<div></div>
Resolution 4	Auditor's remuneration	<div></div>	<div></div>	<div></div>
Resolution 5	Issue of shares to Ms Darla Hutton	<div></div>	<div></div>	<div></div>
Resolution 6	Issue of LT1 to Mr Brian Ward	<div></div>	<div></div>	<div></div>

SECTION 4 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2024