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## **PLACEMENT AND ACCELERATED NON-RENOUCEABLE ENTITLEMENT OFFER TO RAISE UP TO A\$97.0M**

**Melbourne, Australia; December 4, 2023:** Mesoblast Limited (ASX:MSB; Nasdaq:MESO) today announced a placement and entitlement offer to raise up to A\$97.0 million.

### **Key Highlights**

The Placement and Entitlement Offer has been structured as:

- an institutional placement of up to approximately 120 million new fully paid ordinary shares in Mesoblast at an offer price of A\$0.30 per new share (**Offer Price**) to raise up to A\$36.0 million (**Placement**); and
- a 1 for 4 pro-rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares in Mesoblast to existing eligible shareholders (**Entitlement Offer**), at the Offer Price per new share to raise up to approximately A\$61 million, comprising an accelerated institutional entitlement offer (**Institutional Entitlement Offer**) and a retail entitlement offer (**Retail Entitlement Offer**).
- In addition to being able to apply for New Shares under the Retail Entitlement Offer, Eligible retail shareholders who have taken up all of their Entitlement will also have the ability to apply for additional New Shares under a 'top-up' facility (**Top-Up Facility**).

Approximately 323 million shares will be issued under the Placement and Entitlement Offer (**New Shares**) which represents approximately 39.7% of current shares on issue.

The Offer Price of A\$0.30 per New Share represents a discount of:

- 20.0% to the theoretical ex-rights price (**TERP**)<sup>1</sup> of A\$0.375; and
- 25.9% to Mesoblast's last close price of A\$0.405 on 30 November 2023.

The New Shares will rank equally with existing fully paid ordinary shares on issue in Mesoblast. Bell Potter Securities Limited will act as the sole lead manager and sole bookrunner of the Placement and Entitlement Offer (**Lead Manager**).

### **Use of Proceeds**

Proceeds from the Placement and Entitlement Offer and existing cash reserves will be used to fund the adult Phase 3 registration trials for steroid-refractory acute-graft versus host disease and for chronic lower back pain, and general corporate purposes.

### **About the Entitlement Offer**

Under the Entitlement Offer, existing eligible shareholders are invited to subscribe for 1 New Share for every 4 existing Mesoblast shares (**Entitlement**) held as at 7.00 pm (Melbourne time) on 6 December 2023 (**Record Date**) at the Offer Price.

New Shares issued under the Entitlement Offer will rank equally with existing Mesoblast shares on issue from the date of allotment.

As the Entitlement Offer is non-renounceable, shareholders who do not take up their Entitlement will not receive any value in respect of the Entitlement that they do not take up. Shareholders who are not eligible to receive entitlements will not receive any value in respect of the entitlements they would have received had they been eligible to participate in the Entitlement Offer.

### **Institutional Entitlement Offer**

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer which will take place from 4 December 2023 to 5 December 2023.

Eligible institutional shareholders can choose to take up all, part, or none of their Entitlement (**Institutional Entitlement**).

Institutional Entitlements cannot be traded on the ASX. Institutional Entitlements which are not taken up by eligible institutional shareholders by the close of the Institutional Entitlement Offer, and Institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered for sale under a 'top-up' facility to existing institutional shareholders and to other institutional and sophisticated investors.

### **Retail Entitlement Offer**

Eligible retail shareholders with a registered address in Australia and New Zealand on the Record Date will be invited to participate in the Retail Entitlement Offer at the same Offer Price as the Institutional Entitlement Offer. The Retail Entitlement Offer will open on 8 December 2023 and close at 5.00pm (Melbourne time) on 19 December 2023.

Eligible retail shareholders will be sent or have made available to them an offer booklet (**Retail Offer Booklet**) including a personalised entitlement and acceptance form on 8 December 2023. The Retail Offer Booklet will provide the details of how to participate in the Retail Entitlement Offer. A copy of the Retail Offer Booklet will also be lodged with the ASX on 8 December 2023. Eligible retail shareholders may apply to take up all, part, or none of their Entitlement.

In addition to being able to apply for New Shares under the Retail Entitlement Offer, Eligible retail shareholders who have taken up all of their Entitlement will also have the ability to apply for additional New Shares under the Top-Up Facility. Eligible retail shareholders are not assured of being allocated any New Shares in excess of their Entitlement under the Top-Up Facility. New Shares allocated under the Top-Up Facility will be allocated in accordance with the allocation policy outlined in the Retail Offer Booklet. Mesoblast retains absolute discretion regarding allocation under the Top-Up Facility. Retail Entitlement Offer shortfall shares not taken up by eligible retail shareholders may be allocated to existing institutional shareholders and to other institutional and sophisticated investors.

Eligible retail shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet and the accompanying personalised entitlement and acceptance form in their entirety.

Those shareholders who Mesoblast determines to be ineligible shareholders will also be notified.

### **Investor Presentation**

For further information, please refer to the Investor Presentation also lodged today with the ASX.

### **Entitlement Offer Key Dates**

<b>Event</b>	<b>Date</b>
Announcement of Entitlement Offer	4 December 2023
Institutional Entitlement Offer opens	4 December 2023
Institutional Entitlement Offer closes	4 December 2023
Institutional Shortfall Bookbuild	4 December 2023
Trading halt lifted and shares recommence trading on ASX	5 December 2023
Record Date for determining eligibility to participate in the Entitlement Offer	6 December 2023
Retail Entitlement Offer opens	8 December 2023

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Event	Date
Despatch of Entitlement Offer Booklet and Entitlement and Acceptance Form to Eligible Retail Shareholders	8 December 2023
Settlement of Institutional Entitlement Offer	11 December 2023
Allotment and normal trading of New Shares under the Institutional Entitlement Offer	12 December 2023
Retail Entitlement Offer closes	19 December 2023
Settlement of Retail Entitlement Offer	27 December 2023
Allotment of New Shares issued under the Retail Entitlement Offer	28 December 2023
Quotation of New Shares issued under the Retail Entitlement Offer	29 December 2023
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	29 December 2023

Entitlement Offer key dates are indicative only and subject to change. Any material changes will be notified to ASX. All dates and times are references to Melbourne, Australia time.

Mesoblast reserves the right to amend any or all of these dates and times, subject to the consent of the Lead Manager, *the Corporations Act 2001* (Cth), the ASX Listing Rules and other applicable laws and regulations. In particular, Mesoblast reserves the right to extend the closing dates for either the Institutional Entitlement Offer or Retail Entitlement Offer (**Closing Dates**) and/or accept late applications under the Entitlement Offer without prior notice. Any extension of the Closing Dates may have a consequential impact on the date that New Shares are issued and commence trading on the ASX. Applicants are encouraged to submit their personalised entitlement and acceptance forms as soon as possible after the Entitlement Offer opens.

### Additional Information

Further details on the Placement and Entitlement Offer are set out in the investor presentation also lodged with ASX today. The investor presentation contains important information, including a summary of key risks associated with an investment in Mesoblast and foreign selling restrictions with respect to the Placement and Entitlement Offer. Any person considering an investment in Mesoblast should read the investor presentation and seek their own independent advice before making any decision in this regard.

If you have any questions in relation to the Placement and Entitlement Offer, please contact the Mesoblast Offer Information Line on 1300 883 072 (if calling from within Australia) and +61 1800 883 072 (if calling from outside Australia). For other questions, you should consult your broker, solicitor, accountant, financial adviser, or other professional adviser.

### Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The securities referred to herein have not been registered under the United States Securities Act of 1933 (the US Securities Act), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and other applicable US state securities laws.

### Footnotes

1. The Theoretical Ex-Rights Price ("TERP") is the theoretical price at which Mesoblast fully paid ordinary shares should trade at immediately after the ex-date for the Entitlement Offer, and is calculated based on the maximum size of the Entitlement Offer together with the Placement. The

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TERP is a theoretical calculation only and the actual price at which Mesoblast shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to Mesoblast's closing price of A\$0.405 on 30 November 2023."

### **About Mesoblast**

Mesoblast (the Company) is a world leader in developing allogeneic (off-the-shelf) cellular medicines for the treatment of severe and life-threatening inflammatory conditions. The Company has leveraged its proprietary mesenchymal lineage cell therapy technology platform to establish a broad portfolio of late-stage product candidates which respond to severe inflammation by releasing anti-inflammatory factors that counter and modulate multiple effector arms of the immune system, resulting in significant reduction of the damaging inflammatory process.

Mesoblast has a strong and extensive global intellectual property portfolio with protection extending through to at least 2041 in all major markets. The Company's proprietary manufacturing processes yield industrial-scale, cryopreserved, off-the-shelf, cellular medicines. These cell therapies, with defined pharmaceutical release criteria, are planned to be readily available to patients worldwide.

Mesoblast is developing product candidates for distinct indications based on its remestemcel-L and rexlemestrocel-L allogeneic stromal cell technology platforms. Remestemcel-L is being developed for inflammatory diseases in children and adults including steroid refractory acute graft versus host disease, biologic-resistant inflammatory bowel disease, and acute respiratory distress syndrome. Rexlemestrocel-L is in development for advanced chronic heart failure and chronic low back pain. Two products have been commercialized in Japan and Europe by Mesoblast's licensees, and the Company has established commercial partnerships in Europe and China for certain Phase 3 assets.

Mesoblast has locations in Australia, the United States and Singapore and is listed on the Australian Securities Exchange (MSB) and on the Nasdaq (MESO). For more information, please see [www.mesoblast.com](http://www.mesoblast.com), LinkedIn: Mesoblast Limited and Twitter: @Mesoblast

### **Forward-Looking Statements**

This announcement includes forward-looking statements that relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. We make such forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Forward-looking statements should not be read as a guarantee of future performance or results, and actual results may differ from the results anticipated in these forward-looking statements, and the differences may be material and adverse. Forward-looking statements include, but are not limited to, statements about: the initiation, timing, progress and results of Mesoblast's preclinical and clinical studies, and Mesoblast's research and development programs; Mesoblast's ability to advance product candidates into, enrol and successfully complete, clinical studies, including multi-national clinical trials; Mesoblast's ability to advance its manufacturing capabilities; the timing or likelihood of regulatory filings and approvals (including any future decision that the FDA may make on the BLA for remestemcel-L for paediatric patients with SR-aGVHD), manufacturing activities and product marketing activities, if any; the commercialization of Mesoblast's product candidates, if approved; regulatory or public perceptions and market acceptance surrounding the use of stem-cell based therapies; the potential for Mesoblast's product candidates, if any are approved, to be withdrawn from the market due to patient adverse events or deaths; the potential benefits of strategic collaboration agreements and Mesoblast's ability to enter into and maintain established strategic collaborations; Mesoblast's ability to establish and maintain intellectual property on its product candidates and Mesoblast's ability to successfully defend these in cases of alleged infringement; the scope of protection Mesoblast is able to establish and maintain for intellectual property rights covering its product candidates and technology; estimates of Mesoblast's expenses, future revenues, capital requirements and its needs for additional financing; Mesoblast's financial performance; developments relating to Mesoblast's competitors and industry; and the pricing and reimbursement of Mesoblast's product candidates, if approved. You should read this announcement together with our risk factors in our most recently filed reports with the SEC or on our website.

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Uncertainties and risks that may cause Mesoblast's actual results, performance or achievements to be materially different from those which may be expressed or implied by such statements, and accordingly, you should not place undue reliance on these forward-looking statements. We do not undertake any obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

Release authorized by the Board of Mesoblast Limited.

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