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Company	**Mesoblast Limited**
Code	**MSB**
Meeting	**AGM**
Date	**24 November 2020**
Venue	**Virtual Meeting**
Monitor	**Stewart Burn and Steve Van Emmerick**

Number attendees at meeting	Unavailable.
Number of holdings represented by ASA	45
Value of proxies	$1.1m
Number of shares represented by ASA	247k (places us outside top 20 shareholders)
Market capitalisation	$2.5b
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with Director Donal O'Dwyer and Charlie Harrison

Ready for blast off?

What a year this has been, almost as exciting as a rollercoaster. FDA approval imminent, FDA approval delayed, agreement with Novartis etc etc. You wouldn't want to have a faint heart owning shares in Mesoblast.

The meeting was opened by Joseph Swedish who is based in the USA and introduced the meeting procedures. He discussed the development of a potential treatment for ventilated patients with moderate to severe acute respiratory distress syndrome (ARDS) due to COVID-19, an exclusive worldwide license and collaboration agreement with Novartis, a leading global medicines company and how they will continue to rigorously pursue an approval pathway for remestemcel-L in the treatment of children with steroid-refractory acute graft versus host disease (aGVHD), where they are seeking FDA approval. He also discussed the maturing and diverse portfolio of cellular medicines for other serious acute and chronic inflammatory conditions such as chronic heart failure and chronic low back pain due to degenerative disc disease.

This was followed by the CEO Silviu Itescu who gave more detailed information on the product pipeline, the relationship with Novartis where payments of $505m may be achieved, the mechanism for remestemcel-L and the key milestones, including approval by the FDA, as well as its application for heart disease and back pain.

The reports can be found here and here.

Joseph Swedish chaired his virtual meeting well, he was inclusive and answered all questions.

There were a number questions regarding completion of enrolment of patients for ARDS study. What happens if trials are prematurely stopped due to good results, what price did Novartis pay for its equity, what caused the delay in some trials, how has the sales force set up for aGVHD been utilised, the outcomes of the Mt Sinai trial and outcomes from patient care, and updates on the JCR relationship and ARDS, does the relationship with Novartis mean opportunities become available in Europe, what is the Covid19 and ARDS 12 month survival endpoint, will Novartis manufacture remestemcel-L, when will recruitment for the Covid-ARDS study be completed and finally re vaccines and their impact on remestemcel.

The re-election of Donal O'Dwyer was approved (89.4%), as were the remuneration report (96.2%), and options for the MD and CEO (95.0%). In each of these cases the ASA voted in favour. The ratification of shares to existing and new shareholders was approved (98.0%), even though the ASA voted against this item, due to the exclusion of retail shareholders from the offer.

We asked questions regarding the levels of cash held vs the cash burn rate, the lack of TSR hurdles in the CEO's LTI and the exclusion of retail shareholders from the SPPs. A TSR hurdle was not seen as relevant at this stage in the company's development and short-term goals related to clinical development were believed to be more relevant. With regards to the SPP, the company wanted to move quickly, and the shares were issued at a relatively small discount. They did say they valued their retail shareholders and did discuss a SPP.