

Mesoblast to scale up remestemcel-L manufacturing for COVID-19 ARDS

15 May 2020 | News

Successfully completed a capital raising of US\$90 million

Australia based Mesoblast Limited, leader in cellular medicines for inflammatory diseases, announced that it has successfully completed a capital raising of US\$90 million (A\$138 million) via a placement of 43 million shares to existing and new institutional investors at a price of A\$3.20 per share.

This represents a 7% discount to both the price at the close of trading May 8, 2020 and the five-day volume weighted average price (VWAP).

A significant portion of the net proceeds will be used to scale-up manufacturing of the Company's lead product candidate remestemcel-L for the treatment of critically ill patients suffering with diseases caused by cytokine release syndromes associated with high mortality, particularly COVID-19 acute respiratory distress syndrome (ARDS).

Proceeds will also be used for working capital and general corporate purposes. The Company is now well positioned to pursue this significant new imperative, within the context of the overall product portfolio.

A randomized controlled Phase 2/3 trial in up to 300 patients evaluating whether remestemcel-L can reduce the high mortality in COVID-19 patients with moderate/severe ARDS is actively enrolling in up to 30 sites in the United States.

This trial was initiated after promising results were seen with remestemcel-L under emergency compassionate use in COVID-19 ARDS, where nine of 12 (75%) ventilator-dependent patients were able to come off ventilators within a median of 10 days.