

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

NEIL D. ROSS, on behalf of himself and all others)	
similarly situated,)	
)	
Plaintiff,)	C.A. No. 2019-0822-LWW
)	
v.)	
)	
LINEAGE CELL THERAPEUTICS, INC. f/k/a)	
BIOTIME, INC., MICHAEL H. MULROY, ALFRED)	
D. KINGSLEY, RICHARD T. LEBUHN, and)	
ADITYA MOHANTY,)	
)	
Defendants.)	

**NOTICE OF PENDENCY AND PROPOSED
SETTLEMENT OF CLASS ACTION**

TO: ALL FORMER COMMON STOCKHOLDERS OF ASTERIAS BIOTHERAPEUTICS (FORMER TICKER: AST (NYSE)) AS OF THE DATE OF THE CONSUMMATION OF THE MERGER (DEFINED BELOW) WHO RECEIVED THE MERGER CONSIDERATION.

PLEASE READ ALL OF THIS NOTICE CAREFULLY. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS ACTION. THIS NOTICE RELATES TO THE PROPOSED SETTLEMENT OF A CLASS ACTION LAWSUIT AND CONTAINS IMPORTANT INFORMATION. IF THE COURT APPROVES THE PROPOSED SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS OF THE PROPOSED SETTLEMENT OR PURSUING THE RELEASED PLAINTIFF’S CLAIMS (AS DEFINED BELOW).

IF YOU HELD THE COMMON STOCK OF ASTERIAS FOR THE BENEFIT OF ANOTHER, PLEASE PROMPTLY TRANSMIT THIS DOCUMENT TO SUCH BENEFICIAL OWNER.

I. THE PURPOSE OF THIS NOTICE

The purpose of this Notice, which can be found on the settlement administrator’s website at <https://www.abdataclassaction.com/cases-archive>, is to inform you of this lawsuit, a proposed settlement of the lawsuit, and a hearing to be held by Vice Chancellor Lori Will of the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, **on February 8, 2023, at 11:00 a.m.** (the “Settlement Hearing”).¹ **In the Court’s discretion, the hearing can be held telephonically or by Zoom, and the information about any such decision shall be posted on the administrator’s website.**

At the Settlement Hearing, the Court will be asked to:

- a. determine whether to certify the above-captioned action (the “Action”) as a non-opt-out class action on behalf of the Class (defined below) and appoint Plaintiff as Class Representative and Plaintiff’s Counsel as counsel for the Class;
- b. determine whether the Settlement (as described below) and the \$10.65 million Settlement Amount for the benefit of the Class, as provided for in the Stipulation and Agreement of Compromise and Settlement dated October 26, 2022 (the “Stipulation”), is fair, reasonable, adequate, and in the best interests of the Class, and should be approved by the Court;
- c. determine whether the requirements of the rules of the Court and due process have been satisfied in connection with this Notice;
- d. determine whether an Order and Final Judgment should be entered dismissing the Action and releasing the Released Plaintiff’s Claims and Released Defendants’ Claims;

¹ Capitalized terms not defined in this Notice have the meaning set forth in the Stipulation, which is available on the Court’s docket. **The Stipulation is also available, along with the Scheduling Order and this Notice, at <https://www.abdataclassaction.com/cases-archive>.**

- e. hear and rule on any objections to the Settlement;
- f. consider the application of Plaintiff's counsel for an award of attorneys' fees not to exceed \$2,662,500, reimbursement of expenses and costs not to exceed \$125,000, and for a service award for Plaintiff not to exceed \$5,000, and any objections thereto; and
- g. consider any other matters that may properly be brought before the Court in connection with the Stipulation.

This Notice describes the rights that Class Members have under the Settlement and what steps Class Members may, but are not required to, take in relation to the Settlement. If the Court approves the Settlement, the Parties will ask the Court at the Settlement Hearing to enter an Order and Final Judgment ("Judgment") dismissing the Action with prejudice on the merits. If you are a Class Member, you will be bound by any judgment entered in the Action, whether or not you actually receive this Notice. You may not opt out of the Class.

The Class, as defined in the Stipulation is: "all record and beneficial holders of Asterias common stock as of the date of the consummation of the Merger who received the Merger Consideration, together with their respective successors and assigns. Excluded from the Class are: (a) Defendants and Prior Defendants, and their immediate family members, affiliates, subsidiaries, directors or officers, limited partners, legal representatives, heirs, successors, transferees, and assigns, and (b) any entity in which any Defendant has had a direct or indirect controlling interest."

II. BACKGROUND OF THE ACTION

THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT. IT IS BASED ON THE PARTIES' STATEMENTS AND SHOULD NOT BE UNDERSTOOD AS ANY EXPRESSION OF OPINION OF THE COURT AS TO THE MERITS OF ANY CLAIM OR DEFENSE.

On November 7, 2018, Lineage Cell Therapeutics, Inc. (then known as BioTime, Inc.) and Asterias Biotherapeutics Inc. ("Asterias") entered into a merger agreement, pursuant to which Lineage would acquire all of the outstanding common stock of Asterias it did not own (the "Merger"), with each Asterias stockholder receiving 0.71 shares of BioTime common stock for every share of Asterias common stock (the "Merger Consideration").

On November 26, 2018, Plaintiff's Counsel, on behalf of Plaintiff, served a demand for books and records on Asterias pursuant to 8 *Del. C.* § 220. In response to Plaintiff's demand, Asterias made available for inspection various books and records concerning the Merger and other related issues.

On March 8, 2019, the Merger closed.

On October 15, 2019, Plaintiff, on behalf of himself and all others similarly situated, filed his Verified Class Action Complaint challenging the Merger (the "Complaint") alleging claims for breach of fiduciary duty and aiding and abetting breaches of fiduciary duty.

On September 21, 2020, the Court ruled on Defendants' motions to dismiss the Complaint (the "Motions"), and, as pertinent here, denied the Motions of defendants Lineage, Michael Mulroy, Alfred Kingsley, Richard LeBuhn, and Aditya Mohanty, and granted the Motions of defendants Andrew Arno, Don M. Bailey, Stephen L. Cartt, Broadwood Capital, Inc., Broadwood Partners L.P., and Neal Bradsher.

On October 30, 2020, the Defendants - i.e., those who remained in the case following resolution of the Motions - answered the Complaint.

On November 2, 2020, Plaintiff served Plaintiff's First Set of Requests to Defendants for the Production of Documents.

On March 10, 2021, Plaintiff served Plaintiff's Second Set of Requests for Production of Documents to Defendants.

On March 11, 2021, Defendants Mulroy, Kingsley, LeBuhn, and Mohanty served the Director Defendants' First Set of Requests for Production of Documents Directed to Plaintiff and the Director Defendants' First Set of Interrogatories Directed to Plaintiff.

On June 9, 2021, Plaintiff filed a Motion to Compel Compliance with Subpoena Duces Tecum and Ad Testificandum Directed to Broadwood Capital, Inc. (the "Motion to Compel").

On July 27, 2021, following the completion of briefing, the Court held oral argument on the Motion to Compel and granted the Motion to Compel.

On August 5, 2021, the Court granted the Stipulation and Proposed Scheduling Order, which, among other things, scheduled trial for October 17-21, 2022.

On November 23, 2021, the Court granted the Amended Stipulation and Proposed Scheduling Order, which did not alter the trial date but modified various pretrial dates, and, among other things, set opening expert reports to be exchanged by the parties on May 6, 2022, and for expert discovery, including expert depositions, to be completed by July 8, 2022.

During discovery, the Parties corresponded and met and conferred about various discovery issues, including the nature and scope of productions, the identification of document custodians, implementation of search terms, and privilege assertions, and approximately 200,000 pages of documents were produced.

Plaintiff served Subpoenas Duces Tecum and Ad Testificandum on third parties Andrew Arno, Howard Scher, Stephen L. Cartt, Natale Ricciardi, Don M. Bailey, Maxim Group LLC, Raymond James & Associates, Inc., and Broadwood Capital, Inc.

Plaintiff served Subpoenas Duces Tecum on third parties Laidlaw & Company (UK) LTD, H.C. Wainwright & Co., LLC, and Chardan Capital, LLC.

Plaintiff served Subpoenas Ad Testificandum on third parties James Knight, Bradford Hoffman, Stuart Barich, Russell Skibsted, and Ryan Chavez.

On February 1, 2022, the Parties attended a virtual mediation session with Robert A. Meyer, Esq. of JAMS. Mr. Meyer has more than a dozen years' experience mediating complex business disputes, including numerous breach of fiduciary duty class actions. In advance of mediation, the Parties submitted mediation statements to the mediator. The Parties were unable to reach a settlement at the mediation session.

Between February 25 and April 6, 2022, Plaintiff deposed the following individuals: Prior Defendant and former Asterias director Don M. Bailey; Defendant and former Asterias director Richard T. LeBuhn; former Asterias Chief Financial Officer and General Counsel Ryan Chavez; Defendant, former Asterias director and former Lineage director and Chief Executive Officer Aditya Mohanty; Defendant, former Asterias Chief Executive Officer, former Asterias director and Lineage director Michael H. Mulroy; Defendant and former Asterias director and Lineage director Alfred D. Kingsley; Stuart Barich, Managing Director of Raymond James Financial, Inc.; and Bradford Hoffman, Managing Director of Maxim Group, LLC. The parties also scheduled the depositions of former BioTime Chief Financial Officer Russell Skibsted; former BioTime Senior Vice President and Head of Corporate Development James Knight; and Chief Executive Officer of Lineage Brian Culley to take place in April 2022; but which were postponed in light of the Parties' agreement in principle to resolve this litigation as indicated below.

On April 4, 2022, Defendants deposed Plaintiff Neil D. Ross.

On April 5, 2022, Plaintiff advised Defendants that he intended to move to certify a class using a class definition substantively the same as the Class defined herein.

On April 7, 2022, Defendants advised Plaintiff that they did not intend to contest class certification, while reserving all rights.

On April 25, 2022, the parties submitted a Stipulation and Proposed Order Governing Class Certification, which stated that Defendants, while reserving all rights, did not intend to contest class certification, which the Court entered the same day.

On or about April 27, 2022, following extensive negotiations, the Parties agreed in principle to resolve this litigation subject to the terms set forth in the Stipulation.

Plaintiff and Plaintiff's Counsel believe the Action has merit, and Plaintiff's entry into the Stipulation and Settlement is not intended to be and shall not be construed as an admission or concession concerning the relative strength or merit of the claims alleged in this Action.

The Defendants and Prior Defendants have denied, and continue to deny, any and all allegations of wrongdoing or liability asserted in the Action, including without limitation, that any of the Defendants or Prior Defendants breached their fiduciary duties, or aided and abetted a breach of fiduciary duty owed to Asterias or its stockholders in connection with the Merger.

The Defendants and Prior Defendants who owed fiduciary duties to Asterias and its stockholders have further asserted, and continue to assert, that at all relevant times, they acted in good faith and in a manner that they reasonably believed to be in the best interests of Asterias and its stockholders.

Defendants are entering into the Stipulation and the Settlement solely to eliminate the uncertainty, distraction, burden, risk, and expense of further litigation.

THE SETTLEMENT OF THIS ACTION, IF APPROVED BY THE COURT ON THE TERMS AND CONDITIONS SET FORTH IN THE STIPULATION, WILL INCLUDE, BUT MAY NOT BE LIMITED TO, A RELEASE OF ALL CLAIMS ASSERTED IN OR RELATED TO THE ACTION.

THE COURT HAS NOT FINALLY DETERMINED THE MERITS OF THE CLAIMS MADE BY PLAINTIFF AGAINST, OR THE DEFENSES OF, THE DEFENDANTS. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RELIEF IN ANY FORM OR RECOVERY IN ANY AMOUNT COULD BE HAD IF THE ACTION WAS NOT SETTLED.

III. THE SETTLEMENT CONSIDERATION

In consideration for the full and final release, settlement and discharge of any and all Released Plaintiff's Claims against the Released Defendant Persons, the Defendants agreed to pay and/or cause their directors and officers ("D&O") insurers to pay **\$10.65 million**, as follows:

a. Within ten (10) business days after execution of the Stipulation, the Defendants paid and/or caused their D&O insurers to pay \$50,000 for the cost of Notice of the Settlement into the Settlement Fund (the "Notice Cost"). If the Court does not approve the Settlement or the Judgment does not become Final for any reason, the Released Plaintiff Persons shall not be responsible for repaying any Notice Costs to Defendants.

b. Within ten (10) business days after the Court enters the Judgment, (i) Lineage shall transfer the Settlement Stock (i.e., up to \$3,530,000 of unrestricted Lineage common stock) to the Settlement Fund, and (ii) the Defendants shall pay and/or cause their D&O insurers to pay into the Settlement Fund cash equal to the Settlement Amount minus the Settlement Stock and the Notice Cost previously paid.

c. Up to the time of issuance, Lineage may elect, in its sole discretion, to pay some or all of the Settlement Stock obligation in cash in lieu of stock. The number of shares constituting the Settlement Stock shall be determined and transferred as follows:

i. The valuation of the Settlement Stock will be based on the volume-weighted average closing price ("VWAP") for the twenty (20) trading days immediately preceding the last two trading days before the Settlement Stock is transferred to the Settlement Fund.

ii. Should Plaintiff's Counsel decide, after the transfer of the Settlement Stock into the Settlement Fund, to sell any of the Settlement Stock for the benefit of Class Members, they will limit daily sales of the Settlement Stock to 10% of the daily trading volume of Lineage common stock as averaged over the previous ten (10) trading days.

iii. The Settlement Stock shall be duly and validly issued, uncertificated, fully paid, non-assessable and free from all liens and encumbrances, and the Parties stipulate the Settlement Stock has been issued under an exemption from registration provided by Section 3(a)(10) of the Securities Act of 1933, as amended. Lineage shall issue the Settlement Stock without any restrictive legend, and the Settlement Stock shall be freely and publicly tradeable without the need to obtain any opinions of counsel or permission of Lineage that the stock is unrestricted. Defendants will advise the Court that Lineage will rely on the Section 3(a)(10) exemption based on the Court's approval of the Settlement.

Following the Effective Date, the Net Settlement Amount will be disbursed by the administrator according to the Plan of Allocation, provided it is approved by the Court. Pursuant to the Plan of Allocation, the Settlement Stock will be sold in a manner that complies with the Stipulation. After the Settlement Stock is sold and administrative costs and attorneys' fees are paid, the net cash proceeds in the Settlement Fund will be paid to Class Members, pursuant to the Plan of Allocation, on a *pro rata* basis. For more information on the Plan of Allocation, please see Exhibit C to the Stipulation. **Please note that there is no "claim form" for Class Members to submit in order to be entitled to payment under the Plan of Allocation.** Rather, payment will be made based on the information provided by Lineage and its agents, the record holders of Asterias common stock, and other entities, as described more fully in Exhibit C to the Stipulation. Payments will be made only if the Court approves the Settlement and after any appeals are resolved. Please be patient.

Defendants shall not object to the Plan of Allocation and shall have no input, responsibility or liability for any claims, payments, or determinations by the administrator in respect of Class Member claims for payment under the Settlement, or any other use of the Settlement Fund, including for Taxes, Tax Expenses, and the Fee and Expense Award. Thereafter, any balance that still remains in the Net Settlement Fund shall escheat to the State of Delaware. Defendants shall provide information to Plaintiff concerning the number of shares held by Released Defendant Persons and where and how the shares were held to ensure no Released Defendant Person is paid any of the Settlement Amount.

The Notice Cost will be borne by the Class and funded out of the Settlement Fund. Lineage shall cooperate with Plaintiff in providing the Notice, including, but not limited to, providing contact and shareholding information of Class members to the extent available to Lineage. Expenses of the administrator and any other cost of administration and distribution of the Settlement Amount (including the costs, if any, associated with escheat) shall be paid out of the Settlement Fund.

IV. DISMISSAL AND RELEASES

Subject to final approval of the Settlement by the Court, pursuant to Delaware Court of Chancery Rule 23, the Released Plaintiff's Claims (as defined below) will be finally and fully compromised, settled, released, discharged, and dismissed with prejudice as against the Released Defendant Persons (as defined below), and the Released Defendants' Claims (as defined below) will be finally and fully compromised, settled, released, discharged, and dismissed with prejudice as against the Released Plaintiff Persons (as defined below).

"Claims" means any and all manner of claims, demands, rights, liabilities, losses, obligations, duties, damages, diminutions in value, costs, debts, expenses, interest, penalties, fines, sanctions, fees, attorneys' fees, expert or consulting fees, actions, potential actions, causes of action, suits, agreements, judgments, decrees, matters, issues and controversies of any kind, nature or description whatsoever, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent, including Unknown Claims, which now exist, or heretofore or previously existed, whether direct, derivative, individual, class, representative, legal, equitable or of any other type, or in any other capacity.

"Released Defendants' Claims" means any Claims that could have been asserted in the Action by Defendants against any of the Released Plaintiff Persons, which arise out of the institution, prosecution, settlement or dismissal of the Action, provided, however, that (i) the Released Defendants' Claims shall not include claims to enforce the Settlement and (ii) nothing herein shall release or otherwise affect any rights between or among Defendants and/or their insurance carriers, including indemnification and contribution.

"Released Plaintiff's Claims" means any Claims that (1) were alleged, asserted, set forth, or claimed in the Action against the Defendants and/or Prior Defendants; or (2) could have been alleged, asserted, set forth or claimed in the Action or in any other action or in any other court, tribunal, or proceeding by Plaintiff or any other members of the Class individually, or derivatively on behalf of Asterias or as a member of the Class, which are based upon, arise from or in any way relate to (i) the Merger (or relate to or arise as a result of any of the events, acts or negotiations related thereto); (ii) Asterias's efforts to obtain financing or considerations or alternative transactions or courses of action in connection with the process leading up to the Merger; and (iii) claims that were or could have been alleged, asserted, set forth, claimed, embraced, involved, or referred to in, or related to the conduct described in the complaint filed in the Action. Released Plaintiff's Claims shall not include claims arising from events occurring after the closing of the Merger so long as they could not have been asserted in the Action. Released Plaintiff's Claims shall not include claims to enforce the Settlement.

"Released Defendant Persons" means all persons and entities named as a Defendant or a Prior Defendant in the Action or that could have been named as a Defendant in the Action, including, without limitation, the past and present officers and members of the board of directors of Lineage or Asterias, and any and all of the respective current and former employers, parent entities, controlling persons, owners, members, co-investors, lenders, principals, affiliates, or subsidiaries of any of the foregoing, and each and all of the respective past or present officers, directors, managers, partners, limited partners, stockholders, representatives, employees, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, agents, heirs, executors, trustees, personal representatives, estates, administrators, predecessors, successors, assigns, insurers, and reinsurers of any of the foregoing, and such other persons that are specifically identified in the Settlement.

"Released Plaintiff Persons" means Plaintiff and the Class and their heirs, estates, executors, trustees, successors and assigns, and Plaintiff's Counsel.

"Unknown Claims" means any Released Plaintiff's Claims that Plaintiff, or any other Class Members, do not know or suspect to exist in his, her or its favor at the time of the release of the Released Plaintiff's Claims, and any Released Defendants' Claims that any Defendant does not know or suspect to exist in his or its favor at the time of the release of the Released Defendants' Claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Released Plaintiff's Claims and Released Defendants' Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, the Parties shall expressly waive, and each of the Class Members shall be deemed to have, and by operation of the Judgment shall have expressly waived, relinquished and released any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Parties acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Plaintiff's Claims and the Released Defendants' Claims, but that it is the intention of Plaintiff and Defendants, and by operation of law the other Class Members, to completely, fully, finally and forever extinguish any and all Released Plaintiff's Claims and Released Defendants' Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, accrued or unaccrued, which now exist or heretofore have existed, upon any theory of law or equity, from the beginning of time through the date of execution of the Stipulation, without regard to the subsequent discovery or existence of such different or additional facts. Plaintiff and Defendants also acknowledge, and the other Class Members by operation of law are deemed to acknowledge, that the inclusion of "Unknown Claims" in the definition of the Released Plaintiff's Claims and the Released Defendant's Claims is separately bargained for and is a key element of the Settlement.

V. REASONS FOR THE SETTLEMENT

Plaintiff's Counsel investigated and pursued discovery relating to the claims and the underlying events alleged in the Action. Plaintiff's Counsel have analyzed the evidence adduced during their investigation and through discovery, and have researched the applicable law with respect to Plaintiff and the Class. In negotiating and evaluating the terms of the Stipulation, Plaintiff's Counsel considered the significant legal and factual defenses to Plaintiff's claims. Plaintiff's Counsel have received sufficient information to evaluate the merits of the Settlement. Based on their evaluation, Plaintiff's Counsel believed in executing the Stipulation and that its provisions were fair, reasonable and adequate and in the best interests of all Class Members and that they conferred substantial benefits upon Class Members. At the Settlement Hearing, the Court will determine whether the Settlement should be approved as fair, reasonable and adequate.

The Defendants deny any and all allegations of wrongdoing, fault, liability or damage whatsoever; deny that they engaged in, committed or aided or abetted the commission of any breach of duty, wrongdoing or violation of law; deny that Plaintiff or any of the other Class Members suffered any damage whatsoever; deny that they acted improperly in any way; believe that they acted properly at all times; maintain that the Individual Defendants complied with their fiduciary duties; maintain that they have complied with federal and state laws; and maintain that they have committed no disclosure violations or any other breach of duty or wrongdoing whatsoever. The Defendants entered into the Stipulation solely because they consider it desirable that the Action be settled and dismissed with prejudice in order to, among other things, eliminate the uncertainties, burden and expense of further litigation and finally put to rest and terminate all of the claims which were or could have been asserted against the Parties in the Action. Nothing in the Stipulation shall be construed as any admission by the Defendants of wrongdoing, fault, liability, or damages whatsoever.

VI. THE SETTLEMENT HEARING

The Court has scheduled a Settlement Hearing, which will be held on February 8, 2023, at 11:00 a.m., before Vice Chancellor Lori Will at the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, to review the proposed Settlement and consider the entry of an Order and Final Judgment proposed by the Parties. As described earlier on page 1, at the hearing, the Court will, among other things, (a) determine whether to certify the Action as a non-opt-out class action on behalf of the Class and appoint Plaintiff as Class Representative and Plaintiff's Counsel as counsel for the Class; (b) determine whether the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate, and in the best interests of the Class, and should be approved by the Court; (c) determine whether the requirements of the rules of the Court and due process have been satisfied in connection with this Notice; (d) determine whether an Order and Final Judgment should be entered dismissing the Action and releasing the Released Plaintiff's Claims and Released Defendants' Claims; (e) hear and rule on any objections to the Settlement; (f) consider the application of Plaintiff's Counsel for an award of attorneys' fees and reimbursement of expenses and for a service award for plaintiff, and any objections thereto; and (g) consider any other matters that may properly be brought before the Court in connection with the Stipulation.

The Court reserves the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees and reimbursement of expenses, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof.

The Court reserves the right to approve the Settlement at or after the Settlement Hearing with such modification(s) as may be consented to by the Parties to the Stipulation and without further notice to the Class.

VII. RIGHT TO APPEAR AND OBJECT AT SETTLEMENT HEARING

Any Class Member who objects to the class action determination, the proposed Settlement, the Judgment to be entered in the Action and/or Plaintiff's Counsel's application for an award of attorneys' fees and reimbursement of litigation expenses, or otherwise wishes to be heard, may appear personally or by counsel at the Settlement Hearing and present evidence or argument that may be proper and relevant; provided, however, that no Class Member may be heard and no briefs, pleadings, or other documents submitted by or on behalf of any Class Member shall be considered by the Court, except by Order of the Court for good cause shown, unless not later than 14 calendar days before the Settlement Hearing (**i.e., January 25, 2023**), copies of (a) a written notice of intention to appear, identifying the name, address, and telephone number of the objector and, if represented, the objector's counsel; (b) proof of membership in the Class; (c) a written statement of such objector's objections and the reasons for such objector's desiring to appear and be heard; and (d) all documents and writings such objector desires the Court to consider, shall be filed with the Court of Chancery and, on or before such filing, served electronically via File & ServeXpress, by hand, or overnight by mail upon the following counsel:

Counsel for Plaintiff:

Carl L. Stine
Wolf Popper LLP
845 Third Avenue
New York, NY 10022

Counsel for Defendant Lineage:

Peter Adams
Cooley LLP
102656 Science Center Drive
San Diego, CA 92121

Counsel for Defendants Michael H. Mulroy, Alfred D. Kingsley, Richard T. LeBuhn, and Aditya Mohanty:

Peter B. Morrison
Skadden, Arps, Slate, Meagher, & Flom
300 South Grand Avenue
Suite 3400
Los Angeles, CA 90071

Unless the Court orders otherwise, no Class Member shall be entitled to object to the Settlement, the Judgment to be entered herein, the award of attorneys' fees and reimbursement of litigation expenses to Plaintiff's Counsel, or otherwise to be heard, except by serving and filing written objections as prescribed in the foregoing Paragraph. Any person who fails to object in the manner provided above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in this Action or in any other action or proceeding.

VIII. APPLICATION FOR ATTORNEYS' FEES AND EXPENSES

Plaintiff's Counsel reserves the right to petition the Court for an award of attorneys' fees of no of more than \$2,662,500 in connection with its role in causing the Settlement and costs incurred in connection with the Action not to exceed \$125,000. Any award to Plaintiff's Counsel for fees and expenses shall be determined by the Court.

If the Settlement is vacated, or any fee award is vacated or reduced on appeal, Plaintiff's Counsel will refund the Settlement Amount (subject to the terms of the Stipulation) or the fee award (or any overpayment of the fee award), as appropriate, to Lineage within five business days of such judgment.

The disposition of the fee application is not a material term of the Stipulation, and it is not a condition of the Stipulation or the Settlement that such applications be granted. The fee application may be considered separately from the proposed Settlement. Any disapproval or modification of the fee application by the Court or on appeal shall not affect or delay the enforceability of the Stipulation, provide any of the Parties with the right to terminate the Settlement, or affect or delay the binding effect or finality of the Judgment and the release of the Released Plaintiff's Claims and Released Defendants' Claims. Final resolution of the fee application shall not be a condition to the dismissal, with prejudice, of the Action or effectiveness of the releases of the Released Plaintiff's Claims. The payment of any fee and expense award shall be made without waiver of the right of any Defendant to pursue claims against insurance carriers for such sum.

IX. SCOPE OF THIS NOTICE AND FURTHER INFORMATION

The foregoing description of the Settlement Hearing, the Action, the terms of the proposed Settlement, and other matters described herein do not purport to be comprehensive. Accordingly, Class Members are referred to the documents filed with the Court in the Action, including the Stipulation, which are available for inspection at the Office of the Register in Chancery in the Court of Chancery of the State of Delaware, Leonard L. Williams Justice Center, 500 North King Street, Wilmington, Delaware 19801, during regular business hours of each business day.

Inquiries or comments about the Settlement, other than requests for additional copies of this Notice, may be directed to the attention of Plaintiff's Counsel as follows:

Carl L. Stine
Wolf Popper LLP
845 Third Avenue
New York, NY 10022
(212) 759-4600
cstine@wolfpopper.com

X. NOTICE TO PERSONS OR ENTITIES HOLDING RECORD OWNERSHIP ON BEHALF OF OTHERS

Brokerage firms, banks, and/or other persons or entities that held shares of the common stock of Asterias on behalf of a Class Member are requested to (a) promptly request from the settlement administrator sufficient copies of this Notice to forward to all such beneficial owners and after receipt of the requested copies promptly forward the copies of the Notice to all such beneficial owners; or (b) promptly provide a list of the names and addresses of all such beneficial owners to Fullfillment@abdata.com or Asterias Biotherapeutics Settlement c/o A.B. Data, Ltd., P.O. Box 173024, Milwaukee, WI 53217-8091, after which the administrator will promptly send copies of the Notice to such beneficial owners. Copies of this Notice may be obtained by calling toll-free at 1-800-332-7417. A copy of the Notice is also available for downloading from <https://www.abdataclassaction.com/cases-archive>.

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE REGISTER IN CHANCERY,
DEFENDANTS, OR THEIR COUNSEL REGARDING THIS NOTICE**

Dated: December 7, 2022

BY ORDER OF THE COURT OF CHANCERY OF THE STATE OF DELAWARE