

NEXT SCIENCE[®]

FY 21 Investor Presentation

23 February 2022

Approved by the Board of Next Science

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FY21 Highlights

- Record sales year in US market
 - Accelerating market adoption of XPERIENCE™
 - Record year for Bactisure™ sales
 - BlastX 4X customer base expansion
- US FDA 510 (k) approval of TorrentX™ Wound Wash
 - Launch in Q2 2022 with Triad Life Sciences as TridentX™ Wound Wash
- XPERIENCE™ approved in Australia
- XPERIENCE™ distribution agreement signed with TELA Bio, Inc (NASDAQ:TELA) for the US plastic and reconstructive surgery market
- Ongoing direct sales force expansion
- Patent library extended to 42 Patents

160% growth in FY21 Revenue vs FY20 to \$8.9m

32% increase in Q4 Revenue on Q3 FY21 to \$2.9m

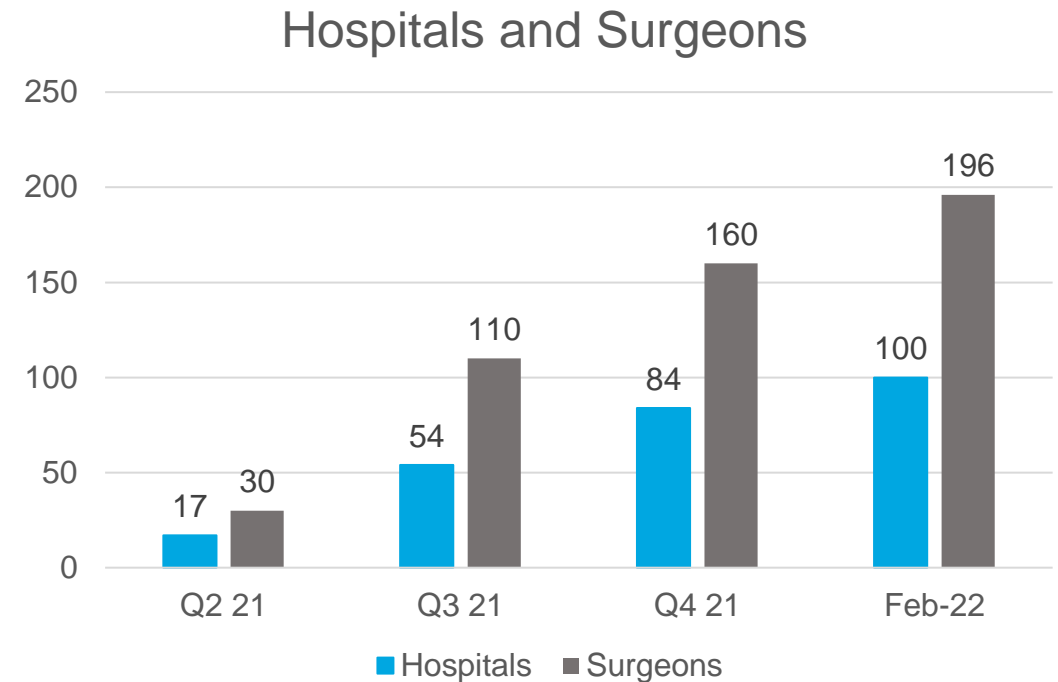
XPERIENCE™ US adoption
Accelerating with 196 surgeons using product in 100 hospitals Feb 17, 2022

BlastX™ customer base expanded
under the direct sales model

* white labelled as Site Guard Surgical Solution

FY22 Growth continuing

- YTD 2022 XPERIENCE™ adoption has increased to 196 surgeons in 100 US hospitals
- Zimmer Inc. complaint resolved with a new distribution agreement for XPERIENCE™ providing sales coverage across over 2,600 sales representatives serving the US hip and knee replacement market
- TELA Bio, Inc (NASDAQ:TELA) continued sales of XPERIENCE™* to US plastic and reconstructive surgery market
- TridentX™ launch – Q2 Triad Life Sciences/Convatec
- XPERIENCE™ – launch in New Zealand in Q2
- BlastX™– launch in Australia and New Zealand Q3



Next Science purpose – healing people – saving lives

Platform technologies that protect from biofilms and chronic infections

Next Science offers unique and significant benefits to health systems and patients

Reduce hospital
acquired
infections and
improved surgery
success rates



Better patient
outcomes – lower
surgical site
infection rate



Treatments that
don't increase
antibiotic
resistance

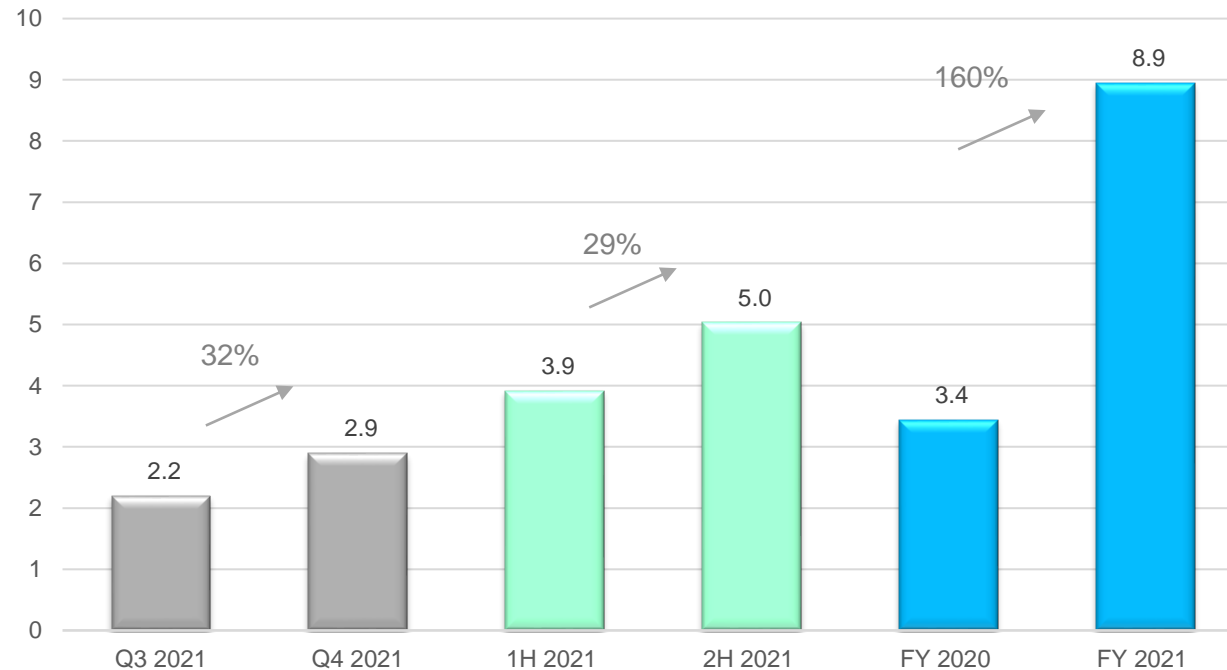


Allows hospitals
to reduce overall
cost of
complications
and readmissions

Next Science technologies meet the triple aim: better patient outcomes, improving patient health, and reducing cost of healthcare

160% Revenue growth 2021 V 2020 – recovering well as markets reopen

Revenue USD\$m

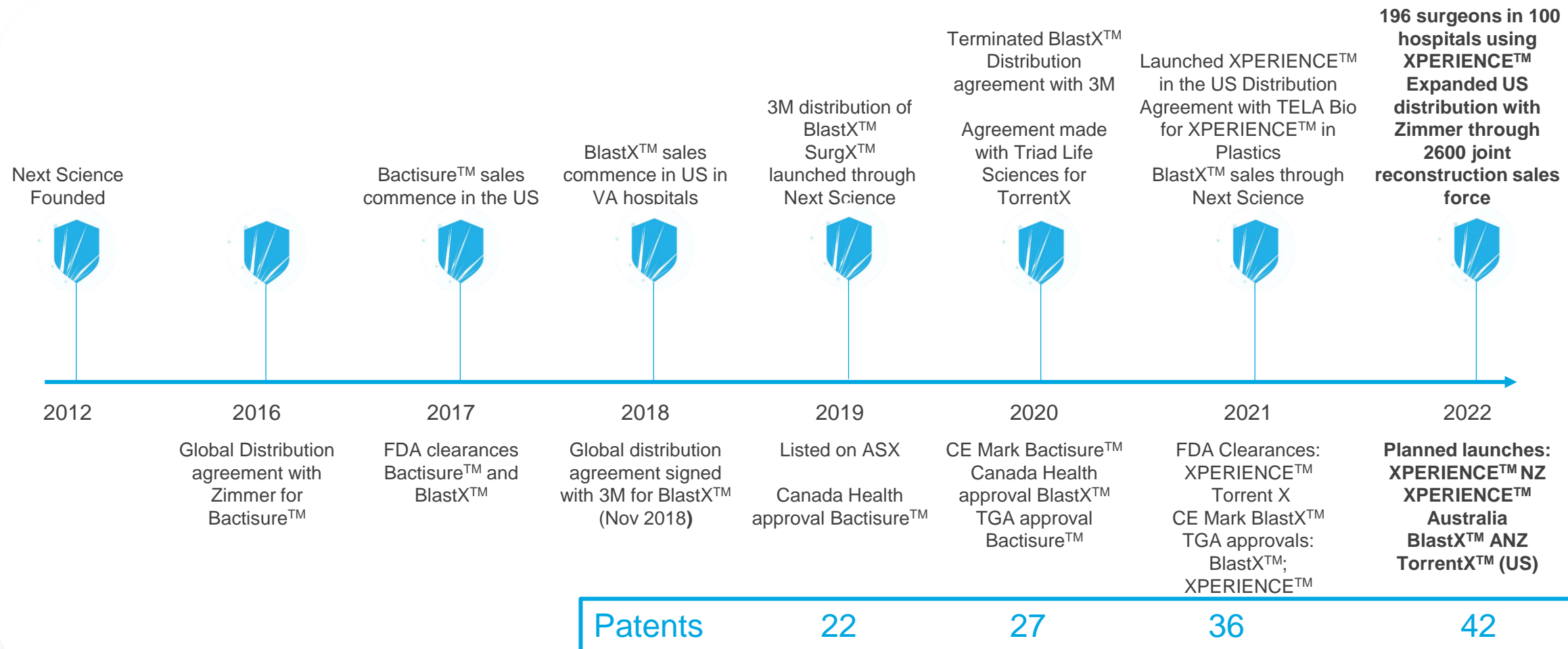


✓ 160% growth Year on Year

✓ 29% growth 2H on 1H

✓ 32% 4th Quarter on 3rd Quarter

Executing our growth strategy: building market acceptance and growing revenues while creating new standards of care



New agreement with Zimmer: activating 2600 specialist sales people to sell XPERIENCE™

- Zimmer to launch XPERIENCE™ under a Zimmer label, into the US market in 2H 2022 with over 2600 sales personnel and agents in the US joint reconstruction market.
- The agreement has a 5 year term plus 5 year renewal option
- Combined go to market strategy utilising Next Science's 6 strong science education team. Launch plan being prepared.
- Next Science will continue to sell XPERIENCE™ directly into the US market and TELA Bio will continue to sell Site Guard Surgical Solution (white label version of XPERIENCE™)

Prevention products portfolio to serve a US \$6B Market

XPERIENCE™

Indication: Prevention of surgical site infection

Cost: Surgical site infection in the US >\$3.6B



US Market: 45 million patients p.a.

SurgX™

Indication: Prevention of infection on a surgical closure

Cost: Surgical site infection in the US >\$3.6B



US Market: 45 million patients p.a.

TridentX™

Indication: Site preparation for tissue graft in Chronic wounds

Cost: Treatment of chronic wounds in the US estimated at \$28-\$96B



US Market: 8 million patients p.a.

Dispersing biofilms, reducing infection, promoting healing

Bactisure™ Surgical Lavage

Indication: Elimination of surgical site infection



US Market: 250,000 patients p.a.

BlastX™ Antimicrobial Wound Gel

Indication: Treatment of chronic wounds, foot & leg ulcers, bedsores, pressure ulcers



US Market: Cost of \$28-31B and 8 million patients p.a.

Acne Treatments

Indication: Treatment of acne and breakouts



Market: Currently offered in Australia

FY 2021 Profit and loss, 160% revenue growth

Year ended 31 Dec USD\$('000)	2020	2021	Variance
Revenue	3,441	8,948	160%
Cost of Sales	(524)	(2,007)	
Gross Profit	2,917	6,940	138%
Gross Margin	85%	78%	
Other Income	356	147	
Selling & Distribution expenses	(5,648)	(7,371)	31%
Research & Development expenses	(5,954)	(4,479)	-25%
Administration expenses	(3,144)	(3,907)	24%
Other expenses	(13)	(16)	23%
Operating Expenses	(14,403)	(15,626)	8%
EBITDA (Underlying)	(11,486)	(8,686)	24%

- Revenue grew 160% with recovery in surgical procedures and wound care clinics volumes
- Gross margin - 78%
- Current operating expenses circa \$3.9M per quarter
- Selling and Distribution expenses increased by 31% with investments in BlastX™ & XPERIENCE™
- R&D expenditure decreased by 25% year on year with 2020 carrying the bulk of the development costs for XPERIENCE™.
- Administration expenses increased by 24% including costs related to the Zimmer and Irrimax disputes.

FY 2021 Balance sheet - \$7.4m net cash

Year ended 31 Dec	USD\$('000)	Dec 2020	Dec 2021
Cash and cash equivalents (inc. term deposits)		15,339	7,368
Property, plant and equipment		788	684
Intangible assets		2,335	2,532
Other assets		5,177	3,132
Total assets		23,639	13,716
Total liabilities		(4,726)	(2,950)
Net assets		18,913	10,766
Share Capital		101,281	102,921
Reserves		(41,272)	(41,710)
Accumulated losses		(41,096)	(50,445)
Total Equity		18,913	10,766

- USD\$ 7.4m in cash at 31 Dec 2021 (including term deposits)
- No Debt
- Intangible assets include \$0.4m of R&D costs capitalised during 2021 (2020:\$0.5m)
- Share Capital increases related to the exercise of employee share options during 2021
- Number of shares on issue as at 31 Dec 2021 197,973,909

BlastX™ Growth Strategy– Establishing the gold standard for Wound care in the US

BlastX™

2021

Re- establish existing customer base

- Get VA and DoD hospitals back to ordering from coast to coast
- Establish deeper utilisation within VA and DoD accounts
- Utilise direct representation in Kaiser network to become standard of care

2022-2023

Open new segments and grow evidence

- Establish working protocol for home health networks using BlastX™
- Pull Xbio through hospital systems including wound clinics
- Lean into health economics study to support wide utilisation

2023 onwards

Expand utilization

- Combination application with other wound products
- Seek to improve reimbursement and/or DME market
- Publish data

EXPERIENCE™ Strategy for accelerating adoption

EXPERIENCE™

2021

Create awareness and key opinion leader base

- Set up reference sites with key opinion leaders
- Build on Area sales managers with Account managers
- Establish key studies
- Create awareness through marketing campaigns

2022-2023

Drive adoption and grow evidence

- Increase penetration across accounts growing the Account manager teams
- Increase market coverage with White Label products for designated market segments
- Support Investigator studies in all key product applications
- Complete and publish primary joint study and colorectal study
- Drive publications

2023 onwards

Mass market adoption

- Publication of key studies
- Continued growth of market coverage through direct and indirect representation
- Evolution to standard of care

Launch calendar – more products, more markets

- Q2 2022 Expanded coverage for SurgX™ in the US
 - Q3 2022 XPERIENCE™ with Zimmer in the US
 - Q2 2022 TridentX™ (TorrentX) – US
-
- Q2 2022 XPERIENCE™ in New Zealand
 - 2H 2022 XPERIENCE™ Australia
 - Q3 2022 BlastX™ Australia & New Zealand



2022 Outlook

- Surgery activity moving to post pandemic mode with expected increase in product demand
- Entering 2022 with 160%p.a. revenue growth, 5 products in US market, 11 regulatory approvals and 42 patents
- Market penetration trajectory of XPERIENCE™ expected to continue
- XPERIENCE™ and Bactisure™ distribution increased by Zimmer's 2,600 joint reconstruction team in the US, providing the largest sales coverage for surgical irrigation in the market
- Expanding Next Science's commercial team to co-sell, support and drive for full market coverage for XPERIENCE™
- Launches: XPERIENCE™ – New Zealand, XPERIENCE™ – Australia, BlastX™ - ANZ, BlastX™ - SE Asia
- Continuing to execute growth strategy – new products, new markets, broader market awareness, accelerating clinical evidence, driving sales growth
- Monitoring ongoing disruptions from surgery staffing issues, supply chain and inflationary pressures

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Appendix

Investigator research table – first studies to be completed by Q2 2022

Indication	Product	Study Size	Structure	Status	Sites
Post Operative Inflammation in joints	XPERIENCE™	30	Investigator sponsored research. Imaging Technology provided by Next Science	IRB submitted, study to be completed by Q2 2022	Dr A Wickline Utica (New York)
Bioburden Invivo Study	XPERIENCE™	30	Contract under negotiation	IRB under review, study to be completed by Q2 2022	Dr Bashyal (Chicago)
Impact on Bone Cement Adhesion	XPERIENCE™	Invitro & Animal study	Fee for Service	Contract under development, study to be completed by Q2 2022	Contracting with UNSW Surgical and Orthopaedic Research Lab (Dr B Walsh)
BioBurden Invivo Study	XPERIENCE™	172	Investigator sponsored research	Submission under review	Mayo Clinic
Animal Study on effectiveness	XPERIENCE™	Animal Study	Investigator Sponsored Research	Contracts under review	Cleveland Clinic

Larger clinical studies to establish standard of care (~USD\$4m-\$4.5m FY22/23)

Indication	Product	Study Size	Structure	Sites	Status
Compound Tibial Fracture Infection (Pilot Study)	XPERIENCE™	30	Investigator Research Study (Product Donated)	Sites – Dr C Harris Hughston Memorial Clinic Commenced Recruitment	Patients being recruited
Surgical Site Infection in Primary Joint Replacement in complex patients	XPERIENCE™	1,200	Investigator Research Study (Product Donated)	Dr Mont Principle Investigator Dr Scuderi Northwell Group Lennox Hill Hospital NYC	Investigator Review Board (IRB) approved Patients being recruited
Surgical Site Infection in Colorectal surgery	XPERIENCE™	560	Investigational Device Exemption (IDE) for expanded indications	Randomised Control study 3 sites. Houston VA, Memorial Herman Hospital,	Pre clinical animal study required by the FDA
DAIR Study on acutely infected joints	XPERIENCE™ BACTISURE™	192	NXS sponsored study, product donated,	Dr Jon Minter Northside Hospital Atlanta, UAB Alabama, NE Baptist, Northwell Group New York and Delaware, FOI Tampa, Hope Orthopaedics Salem, Scripps, 21 Surgeon Participants	Protocol under development
Surgical Site infection in Primary Joints	XPERIENCE™	7600	Investigator Research Study, Product donated	Randomised Controlled study over 5 sites in Canada PI Dr Beale, Dr Garceau University of Ottawa	Site applying to the Canadian government for approval to commence the clinical trial