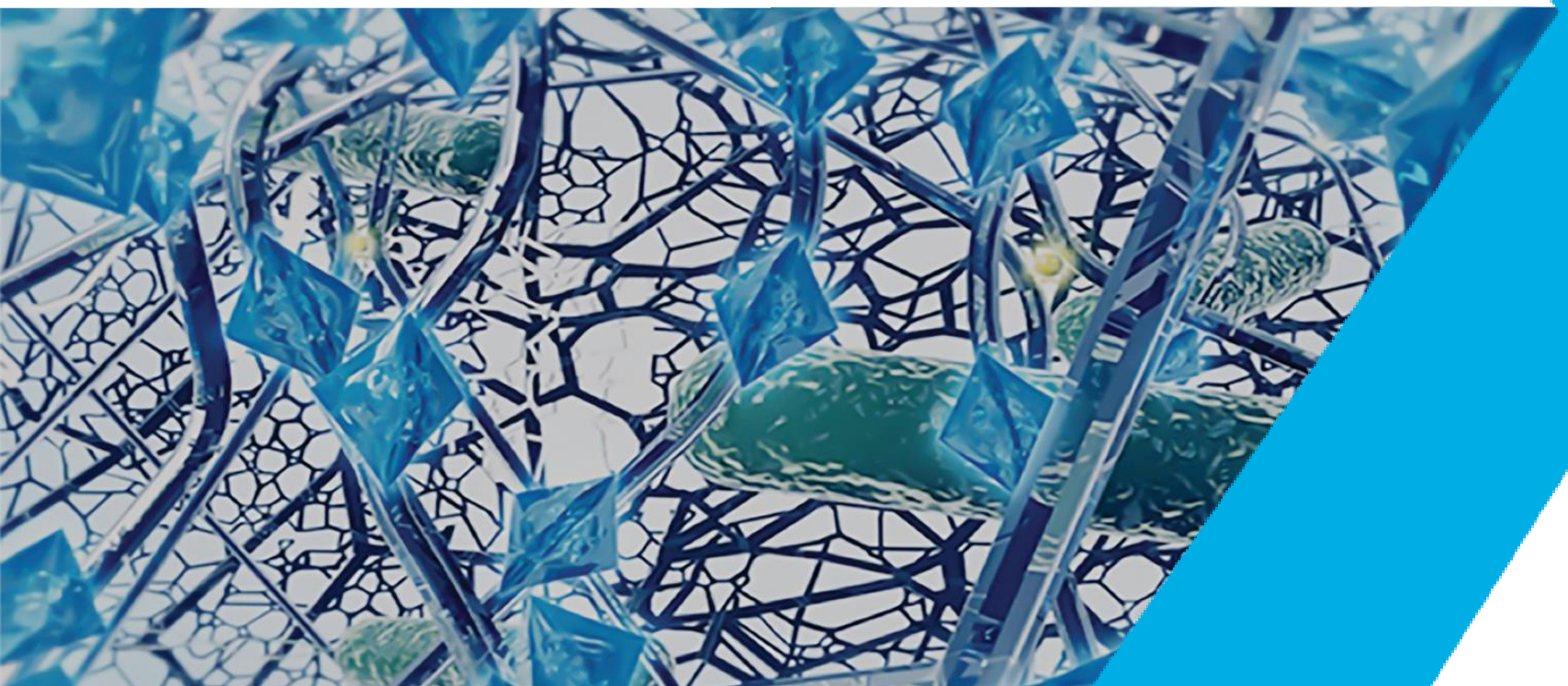
Innovations powered by XBIO™ technology

Investor Presentation
Judith Mitchell
Managing Director



NEXT SCIENCE®

NXS at a glance

- Currently the only company in the world with approved products that resolve biofilm based infections in humans
- 3 products in the US human healthcare market
- Additional regulatory approvals of CE Mark and TGA to support revenue growth through market access to Australia, UK, Germany, Netherlands, Nordic countries and France
- True Blue Ocean opportunity for first in market leave behind infection prevention surgical wash currently in review with the FDA

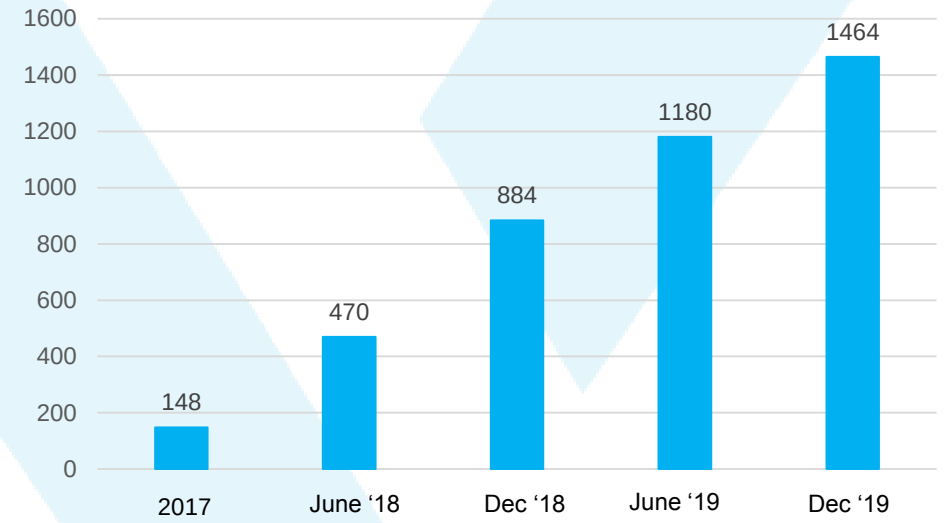
Key Statistics

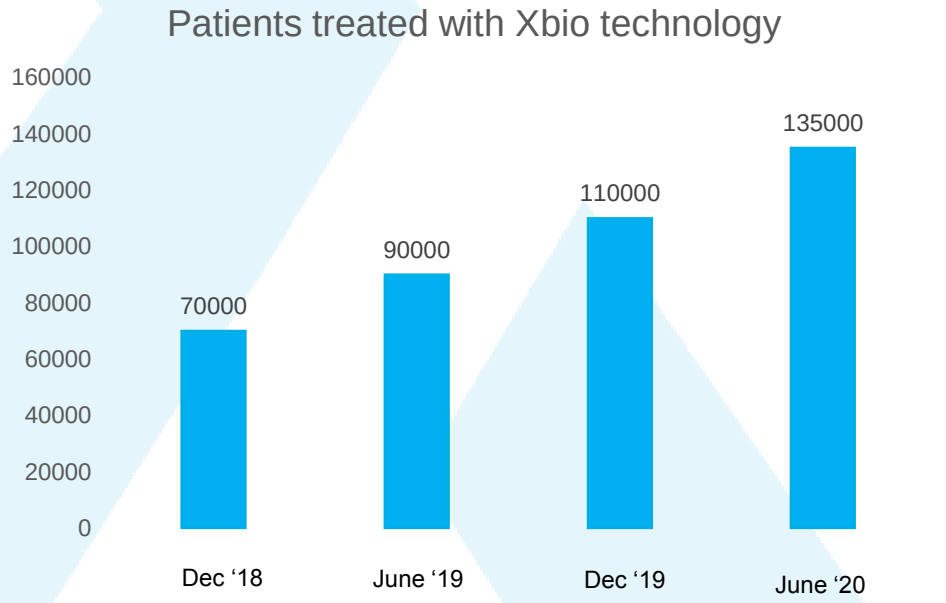
Treated over 130,000 patients

27 patents awarded

All Products are effective in removing key community acquired pathogens:

- MRSA (golden staph)
- Candida
- Pseudomonas Aeruginosa
- E.Coli



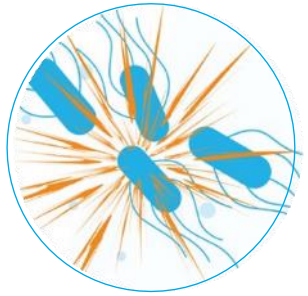


NEXT SCIENCE®

The Science – disrupting the biofilm and eradicating the pathogens "80% of infections in Humans are in a biofilm" (CDC 2011)

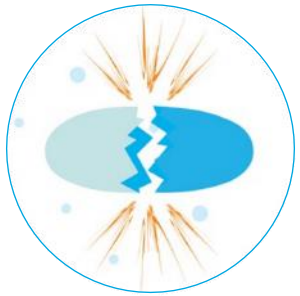
The Solution – Xbio™ Technology

Unique non toxic compounds, with no mechanism to create antimicrobial resistance



Deconstruct the bacterial biofilm barrier

Next Science's Xbio technology breaks the ionic bonds that hold the biofilm together. The polymers are then pulled into solution, effectively dissolving the biofilm barrier.



Destroy the bacteria within, through cell lysis[1]

With the barrier dissolved, bacteria are exposed and more vulnerable to attack. Bacteria enveloped by Xbio technology experience cell lysis and are destroyed. Cell lysis is non-discriminatory destroying gram-positive and gram-negative bacteria, persister cells, and spores. There is no known resistance mechanism to cell lysis.

Defend from recolonization

The periodic release of bacteria from biofilms has been linked to chronic relapsing infections.[2] Disrupting and destroying the biofilm barrier can reduce the rate of biofilm recurrence by up to 1,000 times, effectively defending against recolonization.[3] Unlike other agents that claim to destroy biofilms, there is no known evidence of bacterial resistance to the Xbio technology.

1. Lysis: disintegration by rupturing the cell membrane. **2.** Costerton JW et al.
3. Potera C:antibiotic resistance: biofilm dispersing agent rejuvenates older antibiotics" Environmental Health Perspectives 118 (7) 228.

NEXT SCIENCE®

The opportunities – prevention and treatment

Expanding into infection prevention significantly enhances addressable market opportunities

Prevention products in market

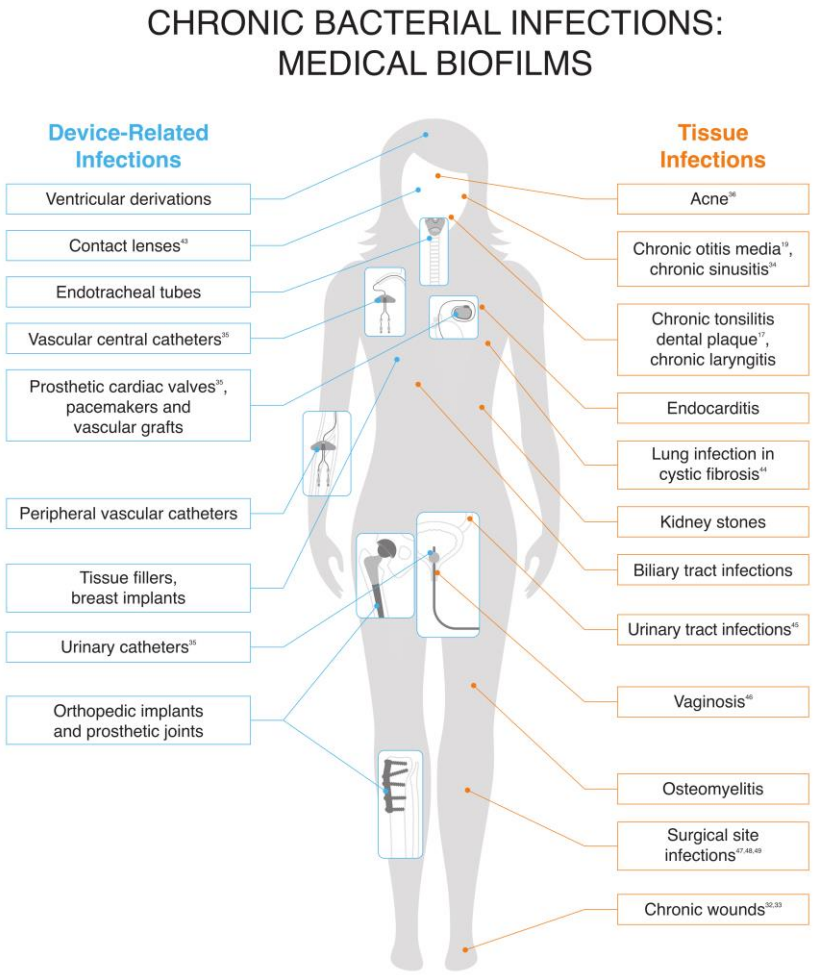
1) **SURGICAL SITE INFECTION**
2) **Prosthetic Joint Infection**
3) **Acne**

Treatment products in market

1) **SURGICAL SITE INFECTION**
2) **Prosthetic Joint Infection**
3) **Acne and skin health**
4) **Chronic Wounds**

Products in development

5) **Chronic Middle Ear Infection**
6) **Chronic Sinusitis**



Research underway

7) **Skin health**
8) **Lung infections including pneumonia and cystic fibrosis**
9) **Dental implants, peridontitis**
10) **Catheter infections**
11) **Implant infections**

Potential for future research

12) **Endocarditis**
13) **Kidney stones**
14) **Biliary tract infection**
15) **Urinary tract infection**
16) **Vaginosis**
17) **Osteomyelitis**

NEXT SCIENCE®

2020 Key Priorities

		Completed
Non Salicylic Acid Acne products launched through tbh	March 2020 Ahead of budget	
Bactisure CE Mark	April 2020	
Bactisure TGA Clearance	June 2020	
Bactisure Australia Launch	September 2020	
Bactisure European Launch	2H 2020	
BlastX CE Mark	2H 2020	
XPerience FDA Clearance	2H 2020/ 1H2021	

Products contributing to H1 2020 revenues

Product	Commercial Pathway	Application	Total addressable market
Bactisure Surgical Lavage 	Global Distribution through Zimmer Biomet	Treatment of infected surgical cavities & implants	**500,000 – 1 Million patients globally annually**
BlastX Antimicrobial Wound Gel 	Global Distribution 3M KCI Advanced Wound Care	Treatment of chronic wounds: Foot & Leg Ulcers, Bedsores and Pressure Ulcers	**10 Million patients globally** **6 million patients (US only) annually**
SurgX Sterile Antimicrobial Wound Gel 	NXS distribution network in the US	Prevention of infection in surgical incisions. Used in the Operating room	**48 Million surgeries in the US annually**
Acne Gel and Cream   	AST & tbh Skincare	Topical treatment of acne	**Online & Clinic market**

NEXT SCIENCE®

H2 2020 Pipeline of new product launches

Product	Target Launch	Commercial Pathway	Application	Total addressable market
Biofilm effective Disinfectant for Hard Surfaces	H2 2020	Commercial pathway under discussion	Walls, floors, hospital furniture and fittings	Global surface disinfectant market $800 Million annually
TorrentX Wound Wash 	Q4 2020	Partnered with Triad Life Sciences with the launch of their new tissue substitute product subject once FDA cleared	Topical wash for treatment of chronic wounds: foot & leg ulcers in preparation for a tissue substitute	US Skin substitute market was $800M in 2019. This market is reimbursed by CMS
XPerience Surgical Rinse 	H2 2020/ H1 2021	NXS distribution network in the US (inventory in hand)	No rinse surgical irrigant	Global 110 Million surgeries US 48 million surgeries Australia 2.2 Million surgeries

Why Surgical Site Infections?

*Hospitals are **not** reimbursed for readmissions within **90 days of release**[5]*

*The estimated annual cost of Surgical Site Infection ranges from **$USD 3.5B to $USD 10B**[3]*

***3% of people** suffering from Surgical Site Infections **will die**[7]*

*Surgical Site infections **increases** colectomy **costs** by a mean of **$17,324**[4]*

*Risk of post operative infection in Hips and Knees expected to rise to **6.5% and 6.8%**[6]*

*Average increased length of stay due to surgical site infection is **9.7 days**[2]*

*Surgical Site infections are the **leading cause of readmissions**[1]*

Surgical Site Infections continue to be a major burden in health care

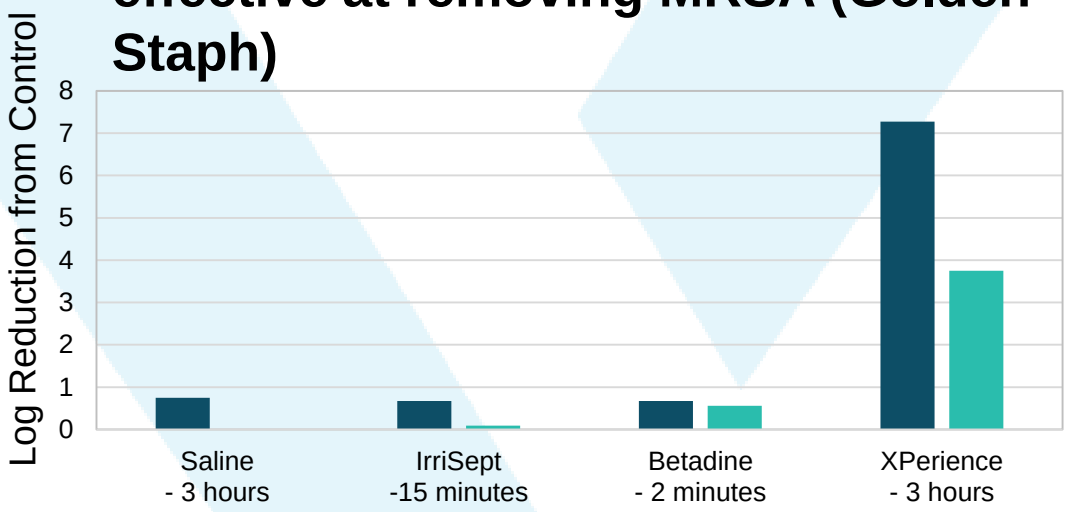
References listed in Appendix

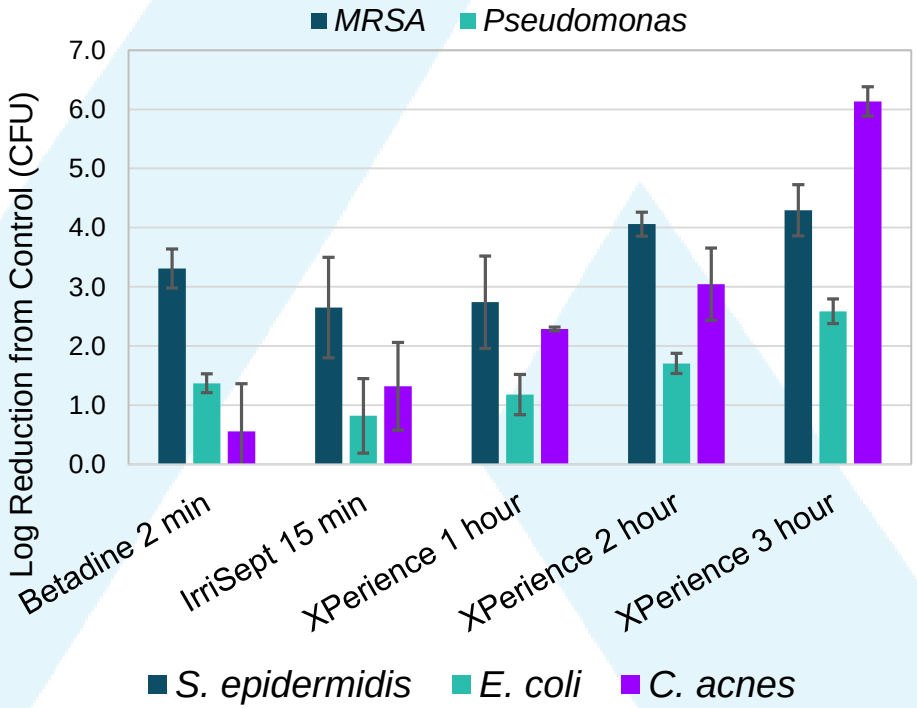
XPerience Surgical Wash– Superior Performance

XPerience Surgical Wash is packaged as a sterile solution in a 500mL Polypropylene bag. The solution is used to irrigate the surgical site as a last wash replacing some of the saline rinses.

- Exceptionally effective against all known pathogens
  - MRSA
  - Pseudomonas
  - Candida fungi
  - *C.*acne
  - *E.coli*
  - *S. epidermis*
- Active for > 5 hours

XPerience is addressing an unmet need

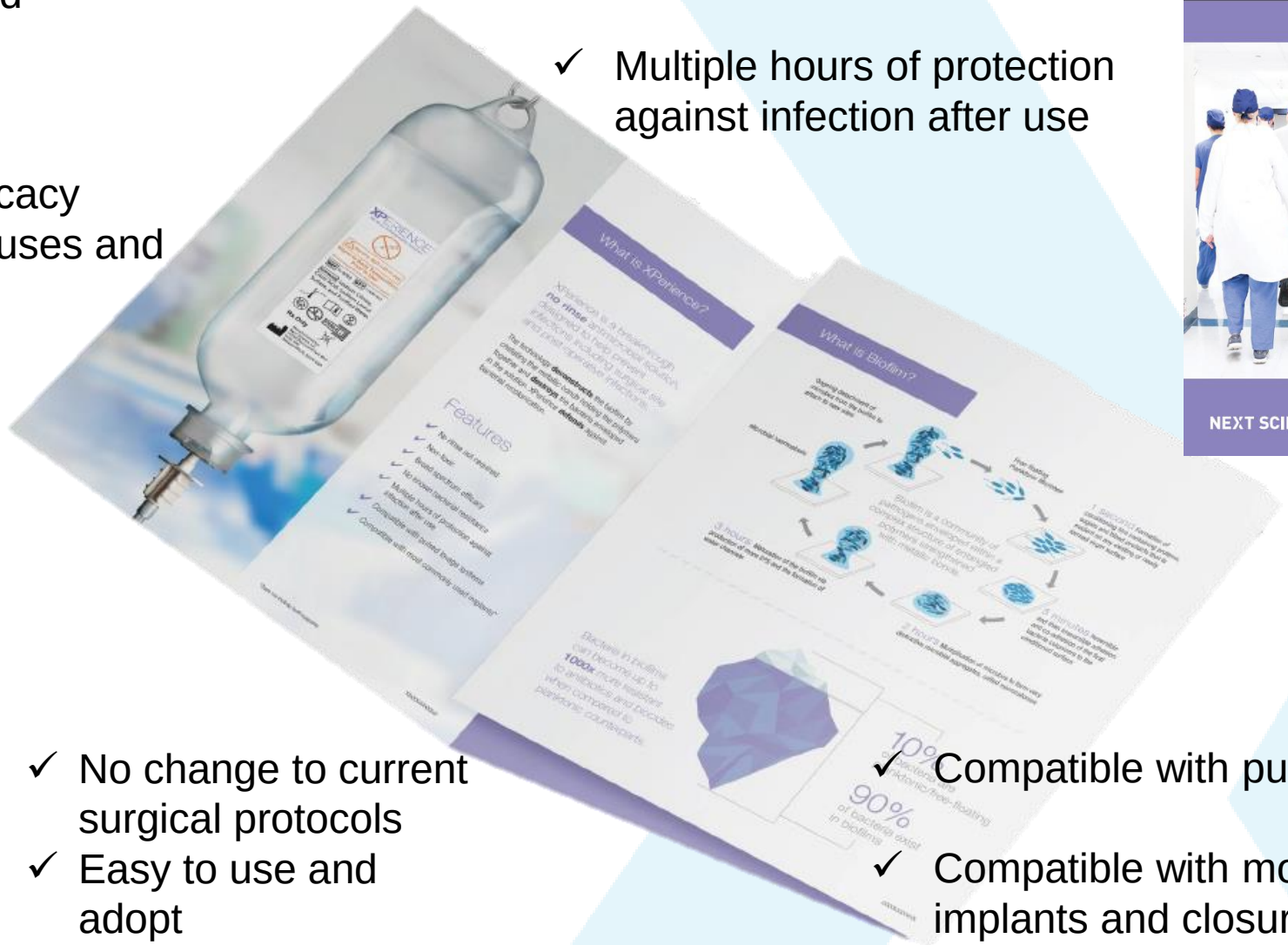




NEXT SCIENCE®

XPerience – Easy to use and adopt

- ✓ No rinse out required
- ✓ Non toxic
- ✓ Broad spectrum efficacy against bacteria, viruses and fungi



- ✓ No known bacterial resistance
- ✓ Multiple hours of protection against infection after use

- ✓ No change to current surgical protocols
- ✓ Easy to use and adopt

- ✓ Compatible with pulsed lavage systems
- ✓ Compatible with most commonly used implants and closure methods

NEXT SCIENCE®

1H 2020 Profit and loss

Half Year ended 30 June USD$('000)	2019	2020	Variance
Revenue	**2,345**	**1,054**	**-55%**
Cost of Sales	(379)	(132)	
Gross Profit	**1,966**	**921**	**-53%**
Other Income	35	42	
Research & Development[2]	(1,036)	(1,049)	1%
Employee Expenses	(3,940)	(4,012)	2%
Sales & Marketing	(313)	(516)	65%
Consultancy & Regulatory	(766)	(820)	7%
General and Administration	(1,363)	(1,095)	-20%
Operating Expenses	(7,383)	(7,450)	1%
EBITDA (Underlying) [1]	(5,417)	(6,529)	-20%
Gross Margin	**84%**	**87%**	

- Revenue declined by 55% vs prior comparative period (pcp).
- Revenue was constrained by Covid 19 shut down of elective surgeries and closure of wound care clinics. R&D, Product development and regulatory approvals schedule remained on track though Covid 19 impacted H1 FY20.
- Revenues expected to recover as surgeries recommence and when wound care clinics reopen.
- Current cost base circa $3.7M per quarter.
- Sales & Marketing costs up 65% - $59k of the increase relates to donations of NXS products to home help centres for patients who were unable to get to wound care clinics during the Covid 19 shut down and $120k of partner promotions with the balance of expenditure on pre-launch marketing materials for XPerience Surgical Rinse (launch in Q3 2020) in addition to further Xbio™ animations.
- Employee expenses remained steady (Full Time Employees: 44)
- General & administration expenses declined by 20% with the majority of the decline attributed to reduced travel expenditure due to Covid 19 travel restrictions.

1. 2019 EBITDA have been adjusted to exclude IPO and other one-off costs. Refer to Appendix 1 for reconciliation. HY2019 and HY 2020 includes IFRS 16 accounting for leases.

2. R & D expenses are external costs for testing and validation and do not include any internal Employee costs.

NEXT SCIENCE®

Balance sheet

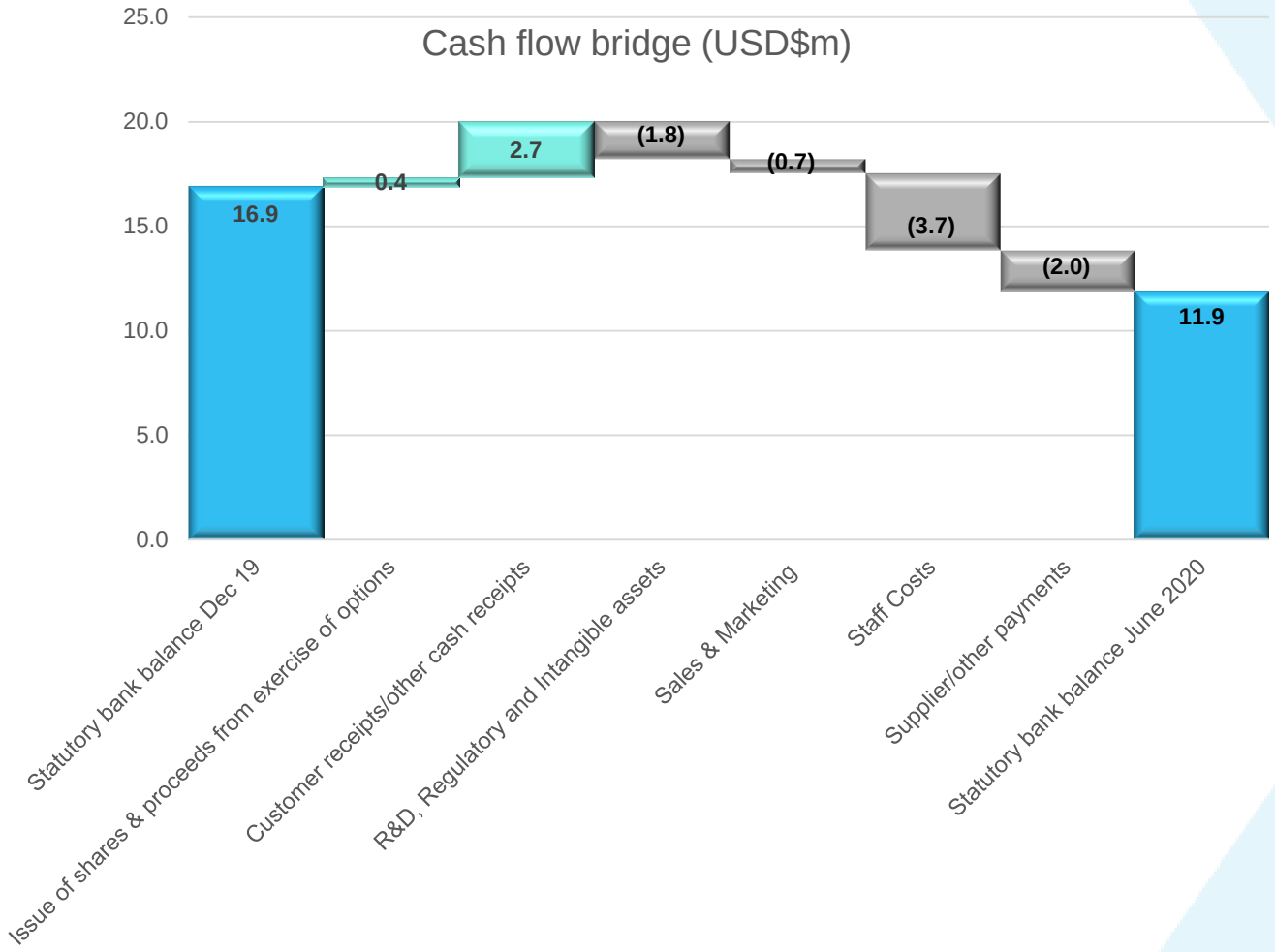
Half Year ended 30 June USD$('000)	Dec 2019	June 2020
Cash and cash equivalents	16,910	11,907
Property, plant and equipment	813	843
Intangible assets	2,164	2,326
Other assets	2,812	1,242
Total assets	**22,699**	**16,318**
Total liabilities	**(3,336)**	**(3,583)**
Net assets	**19,363**	**12,735**
Share Capital	88,733	90,774
Reserves	(42,147)	(42,161)
Accumulated losses	(27,223)	(35,878)
Total Equity	**19,363**	**12,735**

- $11.9m in cash at 30 June 2020.
- Debt Free.
- Intangible assets include $0.3m of R&D costs capitalised during 2020 bringing total R&D spend in 2020 to $1.4m (HY2019: $1.6m). Although there was a decrease in R&D spend of 16% in 2020, R&D spend as a % of revenue increased to 129%.

	Statutory FY 19	Statutory HY 20
R&D spend as a % of revenue[1]	66%	129%

1. R&D spend includes the income statement expense and capitalised costs in the reference period. R&D costs are only capitalised once FDA approval of a product has been received, if further costs relate to additional jurisdictional approvals in a similar market or where further development work adds new functionality. R&D capitalised costs are amortised, once regulatory approval has been received, over the remaining life of the patent.

Cash flow waterfall



FY2021 Cash Flow Drivers

- Cash Receipts driven by sales of key products; XPerience, BlastX & Bactisure
- SG&A to increase with commission paid to Agents for XPerience
- Gross Margins expected to be maintained
- Working Capital – Accounts Receivable, Product Inventory will increase

NEXT SCIENCE®

2nd Half Priorities and Outlook

Maximise current product portfolio:

- Build out Kaiser Permanente footprint post BlastX approval for all Xbio products
- Assist 3M+KCI as wound care clinics return to business as usual
- Support Zimmer Biomet Bactisure launches in Australia and Europe
- CE Mark Clearance for BlastX

Build up the commercial expertise for NXS

- New Chief Commercial Officer in place since June 10, 2020 to drive direct commercial activities
- Pre launch activities to create market readiness and KOL support for XPerience
- Post FDA Clearance XPerience will be launched into the US market through NXS

Maintain momentum of R & D Pipeline

- Regulatory submissions for XPerience (Europe, TGA)
- Regulatory submission for SurgX (Europe, TGA)
- Continued new product developments

Build the customer base, expand clinical evidence and grow revenues

Appendices

Appendix 1

Reconciliation: HY2019 Statutory to Underlying EBITDA

In USD $'(000)	Statutory results per HY19 financial statements	IPO costs	Converting note broker fees	Underlying results
Year ended 31 December 2019				
Revenue	2,345	-	-	2,345
Cost of sales	(379)	-	-	(379)
Gross profit	**1,966**	**-**	**-**	**1,966**
Other income	35	-	-	35
Research and development	(1,036)	-	-	(1,036)
Employee expenses	(3,940)	-	-	(3,940)
Sales and marketing	(361)	48	-	(313)
Consultancy and regulatory	(1,218)	178	274	(766)
General and administration	(1,675)	312	-	(1,363)
EBITDA	**(6,230)**	**538**	**274**	**(5,417)**

NEXT SCIENCE®

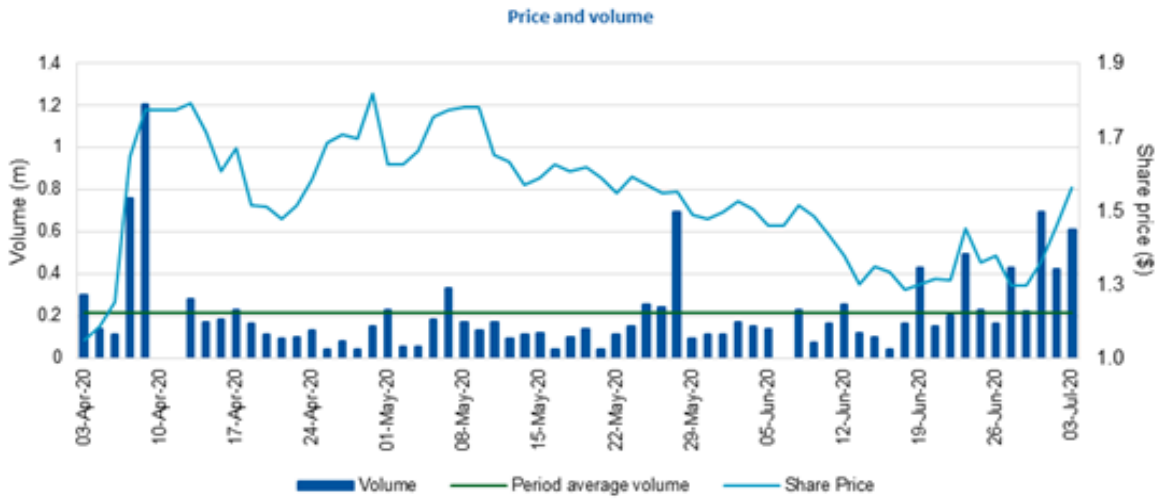
Appendix 2
Corporate Overview

Stock Overview	
ASX code	NXS
Share Price (Aug 21, 2020)	$1.48
Market capitalisation @ $1.48	$268.6m
Total Shares on Issue	181.5m
Listed Shares (tradable)	108.0m
Escrowed Shares	72.8m
Options	8.2m
Shareholders (1,555 at listing)	5,280
Average daily volume (since listing)	458k shares

Substantial Shareholders	
Auckland Trust Company Ltd*	25.62%
Walker Group Holdings Pty Ltd*	16.28%
Matthew Myntti (Founder & CTO)	11.38%
Judith Mitchell (Managing Director)	2.61%
Total Board & Management Shareholdings	14.45%

* Entities related to Lang Walker including disclosed purchases

Number of Escrowed Securities	
Shares escrowed until 18 April 2021	72.85m
Options escrowed until 18 April 2021	5.85m



NEXT SCIENCE®

Clinical trials

Indication	Product	Size	Status	Comment
Surgical Site Infection in Colorectal surgery	MIS/Xperience	370	Awaiting XPerience product clearance	Randomised Control study 3 sites
Surgical site infection in Total Knee Arthroplasty	Xperience	7000	Awaiting XPerience product clearance	Randomised Control study 9 sites
ER Compound Tibial Fracture Infection	Xperience	50	Awaiting XPerience product clearance	Pilot study 1 site
Facial surgery Surgical Site infection	SurgX	250	Awaiting XPerience product clearance	Randomised control study
Chronic wound under VAC	BlastX	20	50% completed 50% in progress	Interrupted by COVID 19
DFU	BlastX + Collagen	20	100% recruited in process	Interrupted by COVID 19
Acne Vulgaris	Acne Cream	60	Completed	Drafting for publication
Gingivitis and Plaque	Oral Rinse	80	Completed	Drafting for publication

Our journey so far: a disruptive technology building market acceptance and growing revenues while creating new standards of care

2012
Next Science Founded

2016
Global distribution agreement signed with Zimmer Biomet for Bactisure (Aug 2016)

2017
In market sales of Bactisure commenced with Zimmer Biomet

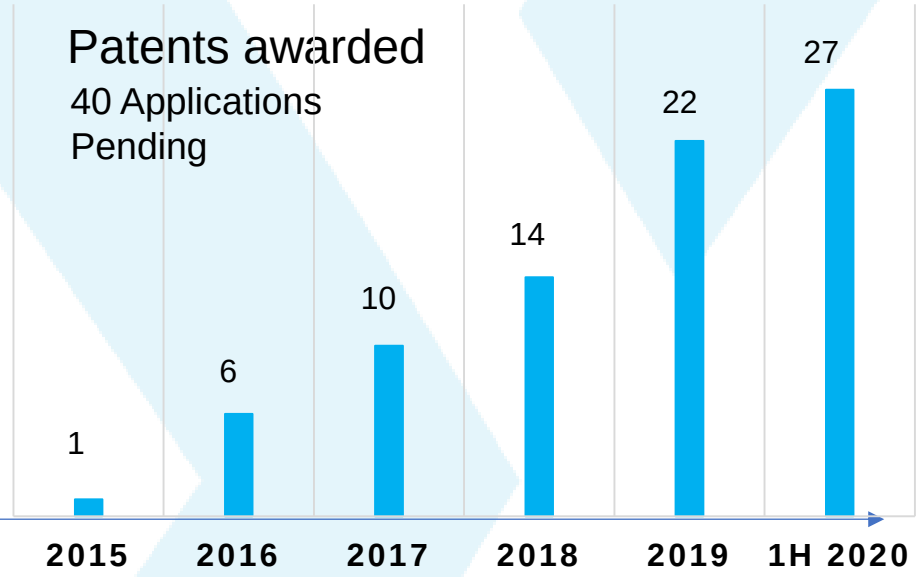
FDA clearances Bactisure and BlastX

2018
In market sales BlastX with NXS small sales team to VA hospitals

Global distribution agreement signed with 3M for Blast X (Nov 2018)

2019
3M started commercial sales of BlastX AST commenced sales of Acne treatments

Listed on Australian Securities Exchange (Apr 2019), raising A$35m. Broadened partnership base



Over 130,000 patients treated with Xbio technology

"Helping patients daily while broadening and strengthening our patent portfolio to support our revenue growth ambitions" *J Mitchell Managing Director*

NEXT SCIENCE®

References

1. Center for Disease Control and Prevention Guideline for the Prevention of Surgical Site Infection: SI Berrios-Torres, CA Umscheid, DW Bratzler et al JAMA Surgery 2017;152
2. Global Surgery 2030: evidence and solutions for achieving health, welfare, and economic development. Dr J Meara et al, The Lancet Commissions, Volume 386, Issue 9993, P 569-624, August 08, 2015
3. Surgical site infections are the most common and costly of hospital infections; Guidelines for preventing surgical site infections are updated, Loyola University Health System, Since News January 19, 2017
4. Surgical Site infections and Cost in Obese Patients undergoing Colorectal Surgery; W Wick, K Hirose A Shore et al, Arch Surg, 2011; 146 (9): 1068-1-72. doi:10.1001/archsurg.2011.117
5. Economic burden of surgical site infections within the episode of care following joint replacement; A Adeyemi, P Trueman, Journal of Orthopaedic Surgery and Research 14, Article number: 196 (2019) 27 June 2019
6. Surgical treatment approaches and reimbursement costs of surgical site infection post hip arthroplasty in Australia: a retrospective analysis; K Merolini, R Crawford, N Graves. BMC Health Services Research 13, Article Number: 91 (2013) 11 March 2013
7. Adherence to Surgical Care Improvement Project Measures and Post-Operative Surgical Site Infections: S Awad, Surgical Infections Vol 13 No 4, Surgical Infection Society Symposium Articles Published 7 September 2012, https://doi.org/10.1089/sur.2012.131

Disclaimer

This presentation has been prepared by Next Science Limited (**Company**) and is provided for general information purposes only. It is not a product disclosure statement, pathfinder document or any other disclosure document for the purposes of the *Corporations Act 2001* (Cth) and has not been, and is not required to be, lodged with the Australian Securities and Investments Commission (**ASIC**). It should not be relied upon by the recipient in considering the merits of the Company or the acquisition of shares in the Company. This presentation should not be considered an offer or an invitation to acquire or sell, or a solicitation to invest in or refrain from investing in, new shares in the Company or any other financial products.

This document has been prepared based on information available as at the date of this presentation. It contains selected summary information and does not purport to be all-inclusive, comprehensive or to contain all of the information that may be relevant or which a prospective investor may require in evaluations for a possible investment in the Company. It should be read in conjunction with the Company's periodic and continuous disclosure announcements which are available at www.nextscience.com and www.asx.com.au. The recipient acknowledges that circumstances may change and that this presentation may become outdated as a result. This presentation and the information in it are subject to change without notice. The Company is not obliged to update this presentation.

The information contained in this presentation does not constitute investment, legal, tax, accounting or financial product advice nor any recommendation to acquire securities in the Company. This presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Before making an investment decision, the recipient should consider its own financial situation, objectives and needs, and conduct its own independent investigation and assessment of the contents of this presentation, including obtaining investment, legal, tax, accounting and such other advice as it considers necessary or appropriate. Any references to or explanations of legislation, regulatory issues, benefits or any other legal commentary (if any) are indicative only, do not summarise all relevant issues and are not intended to be a full explanation of a particular matter. The information in this presentation has been obtained from and based on sources believed by the Company to be reliable. Past performance is not an indication of future performance.

This presentation may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters that may involve risks or uncertainties and may involve significant items of subjective judgement and assumptions of future events that may or may not eventuate (**Forward Statements**). Forward Statements can generally be identified by the use of forward looking words such as "anticipate", "estimates", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions. Forward Statements including indications, guidance or outlook on future revenues, distributions or financial position and performance or return or growth in underlying investments are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No independent third party has reviewed the reasonableness of any such statements or assumptions. None of the Company, its related bodies corporate and their respective officers, directors, employees, advisers, partners, affiliates and agents (together, the **Next Science Parties**) represent or warrant that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this presentation. Except as required by law or regulation, the Company assumes no obligation to release updates or revisions to Forward Statements to reflect any changes. Recipients should form their own views as to these matters and any assumptions on which any of the Forward Statements are based and not place reliance on such statements.

All dollar values are in $USD unless stated otherwise.

- An investment in Company shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including factors and risks specific to the industry in which Next Science operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. The Company does not guarantee any particular rate of return on its performance nor does it guarantee any particular tax treatment. Prospective investors should make their own enquiries and investigations regarding all information in this presentation, including the assumptions, uncertainties and contingencies which may affect future operations of the Company and the impact that different future outcomes may have on the Company.
- The distribution of this presentation to persons or in jurisdictions outside Australia may be restricted by law and any person into whose possession this document comes should seek advice on and observe those restrictions. Any failure to comply with such restrictions may violate applicable securities law.
- No party other than the Company has authorised, permitted or caused the issue, submission, dispatch or provision of this presentation, or takes any responsibility for, or makes or purports to make any statement, representation or undertaking in this presentation and there is no statement in this presentation that is based on any statement by any other party. No person, either as a director or partner of, or in the employment of, the Company has any authority to make, imply, or give any representation or warranty whatsoever in relation to the information contained in this presentation. None of the Next Science Parties take any responsibility for any information in this presentation or any action taken by you on the basis of such information. To the maximum extent permitted by law, the Next Science Parties: exclude and disclaim all liability, including (without limitation) any liability for fraud or negligence, for any expenses, losses, damages or costs incurred either as a result of the information in this presentation being inaccurate or incomplete in any way for any reason, or otherwise arising in connection with this presentation; and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this presentation.

NEXT SCIENCE®

Break through biofilm.

investorqueries@nextscience.com | +61 2 8607 5125 | NextScience.com

Authorised by the Next Science Board
August 26, 2020

Suite 1902 Tower A
821 Pacific Highway
Chatswood NSW 2067

Additional biofilm education can be found at: biofilm.healthcare