

# Quarterly Activity Report – Q2 2021

22 July 2021

Approved by the Board of Next Science

**NEXT SCIENCE<sup>®</sup>**

# Next Science – Key Activities

## CHRONIC BACTERIAL INFECTIONS: MEDICAL BIOFILMS

### Device-related Infections:

- Ventricular derivations
- Contact lenses
- Mouthwash
- Endotracheal tubes
- Vascular central catheters
- Tissue fillers, breast implants
- Peripheral vascular catheters
- Prosthetic cardiac valves, pacemakers and vascular grafts
- Urinary catheters
- Orthopedic implants and prosthetic joints

### Tissue Infections:

- Acne
- Chronic otitis media, chronic sinusitis
- Chronic tonsillitis dental plaque, chronic laryngitis
- Endocarditis
- Lung infection in cystic fibrosis
- Kidney stones
- Biliary tract infections
- Urinary tract infections
- Vaginosis
- Osteomyelitis
- Surgical site infections
- Chronic wounds



Next Science researches, develops and commercialises products which are based on its proprietary Xbio™ technology to resolve the issues caused by biofilms and their incumbent bacteria, fungi and viruses and the infections they cause in relation to human health

The company currently has products in markets to address:

- Surgical Site infection
- Chronic Wounds
- Prosthetic Joint Infection
- Acne

## Best first half for NXS

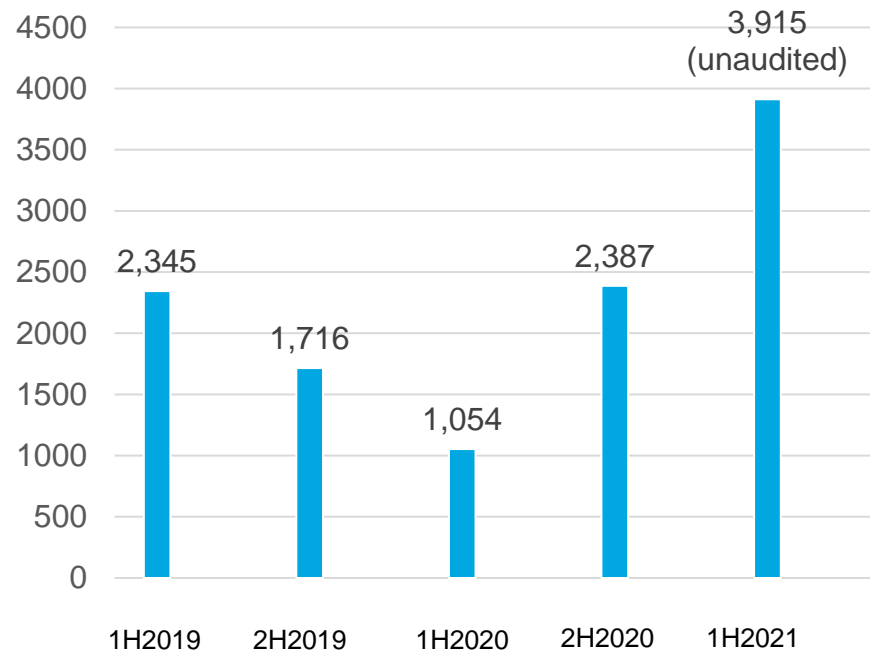
Judith Mitchell, Managing Director said: *“In the first half of 2021, we delivered our **best single half result since IPO**. We reported **271% revenue growth (unaudited) on pcp** (which was heavily pandemic impacted) and **64% revenue growth (unaudited) on the prior half**. This revenue performance was predominantly driven by sales from our existing products **Bactisure™, SurgX™ and BlastX™**”.*

*We also made good progress **expanding our addressable market opportunities** and taking direct control of distribution. We now have **four products in the US human healthcare market**. We launched **Bactisure™** in Europe and the UK and **BlastX™** was approved by the TGA for sale in Australia. **BlastX™** transitioned back from 3M to Next Science in April, creating opportunities for us to sell to a wider customer set. Following the FDA approval of **XPerience™** on April 23, our initial focus has been to secure **VAC approvals** across US hospitals.*

*With our existing products, and **XPerience™**, our market leading “no rinse antimicrobial solution”, we are building an **excellent platform** for future growth.”*

# Best first half for NXS

Revenue by 6 months since listing (US\$'000)



## Other Financial Details:

Net cash burn 1H 2021 - US\$ 1.9M

Cash on hand 30 June 2021 - US\$ 13.2M

\*Payments to Directors in the quarter – US\$191k

\* Payments to directors disclosure required by ASX Listing Rules

## Q2 2021 Progress Report

- Q2 sales, minimal contribution from XPerience™. Sales predominantly SurgX™, BlastX™ and Bactisure™, some timing impact from June orders
- XPerience™ US 510(k) Pre Market Clearance 23 April
- BlastX™ Antimicrobial Wound Gel TGA Clearance 27 May
- BlastX™ transitioned to direct sales in the US in Q2, with Cardinal and Owens and Minor channel partnerships in place by 1 July 2021 for distribution logistics.
- Patent library – 35 Patents (mid July)

# BlastX™ Update

- BlastX™ now returned to NXS with full market access in the US
- Supply chain agreements executed with Cardinal Health and Owens and Minor
- Direct sales commenced with key VA customers and Kaiser ordering commenced
- Home health pilots in Q3 2021 with new product format (4 x 7.5ml box)

# XPerience™ Update

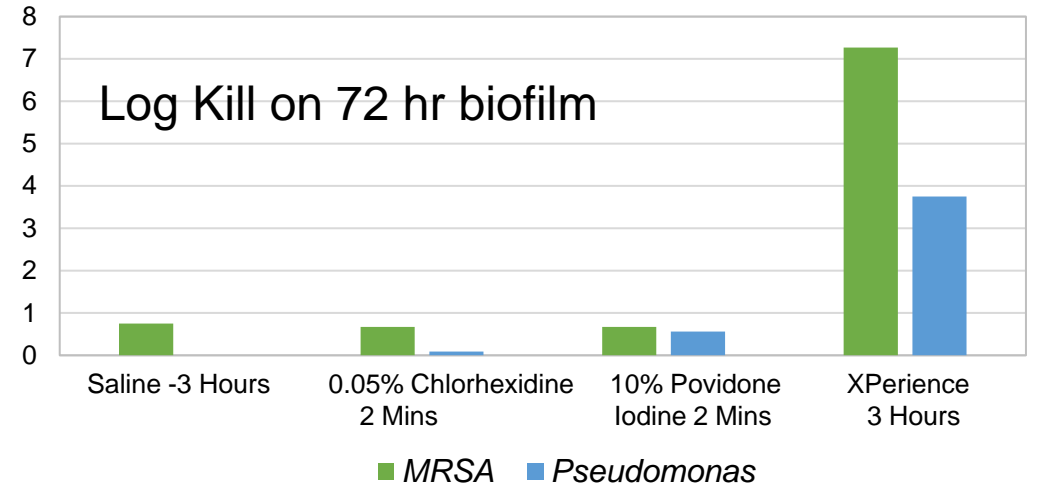
## Value Proposition:

- ✓ No rinse out required
- ✓ Non toxic
- ✓ Broad spectrum efficacy against bacteria, viruses and fungi
- ✓ No change to current surgical protocols
- ✓ Easy to use and adopt
- ✓ 5+ hours of protection

## Commercial Update:

- ✓ 510(k) Clearance 23 April 2021
- ✓ First surgeries 27 April 2021
- ✓ 123 Value assessment submissions made (for approval to use within the Hospitals)
- ✓ 20 approvals received
- ✓ First clinical study in recruitment

## The No Rinse Advantage



# XPerience™ Update - Value Assessment Committee (VAC) Hospital Approval Process and Progress at 15 July 2021

## Surgeon Engagement

Develop a surgeon Champion who will submit the request for New Product to the hospital

178 Surgeons

## Value Assessment Submissions

A packet of information submitted to the hospital to justify the request from the surgeon for the product to be available for them to use. VAC meetings occur monthly, but items can be pushed out to the next meeting

123 submissions—  
covering 211  
hospitals

Process can  
take 14 – 180  
days

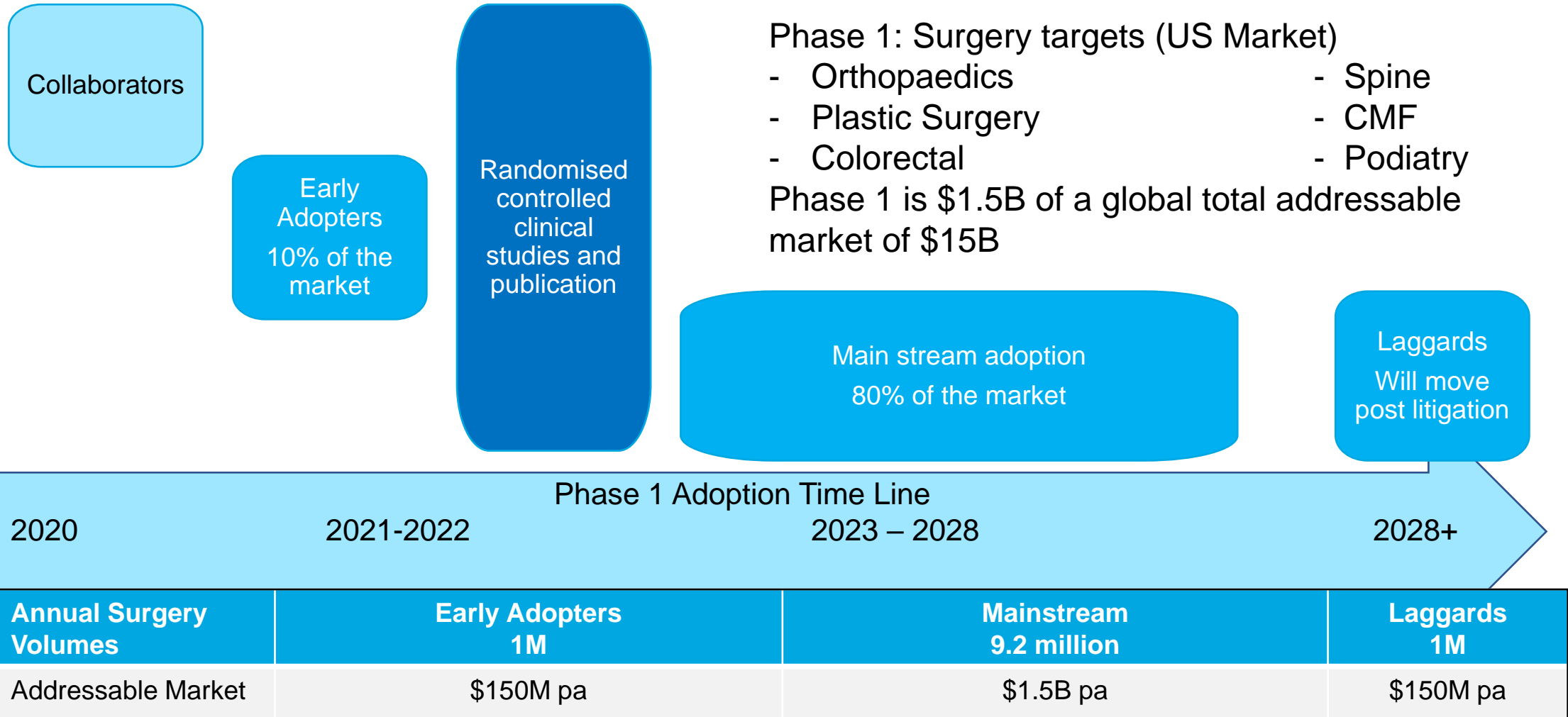
## Product is approved & set up for ordering across the hospital

The product is then “In Serviced” in the hospital to Nursing and Ancillary staff as well as presentations to other surgeons and revenue begins to grow.

20 Hospitals  
35 Surgeons



# XPerience™ Update - Pathway to Standard of Care in the US for Phase 1



## Messaging Channels

### Sales Materials

- » Physician Pack
- » Product Q&A videos
- » Sales Brochure
- » Tri-fold Brochure
- » Training Materials
- » Product FAQs
- » Trade Shows

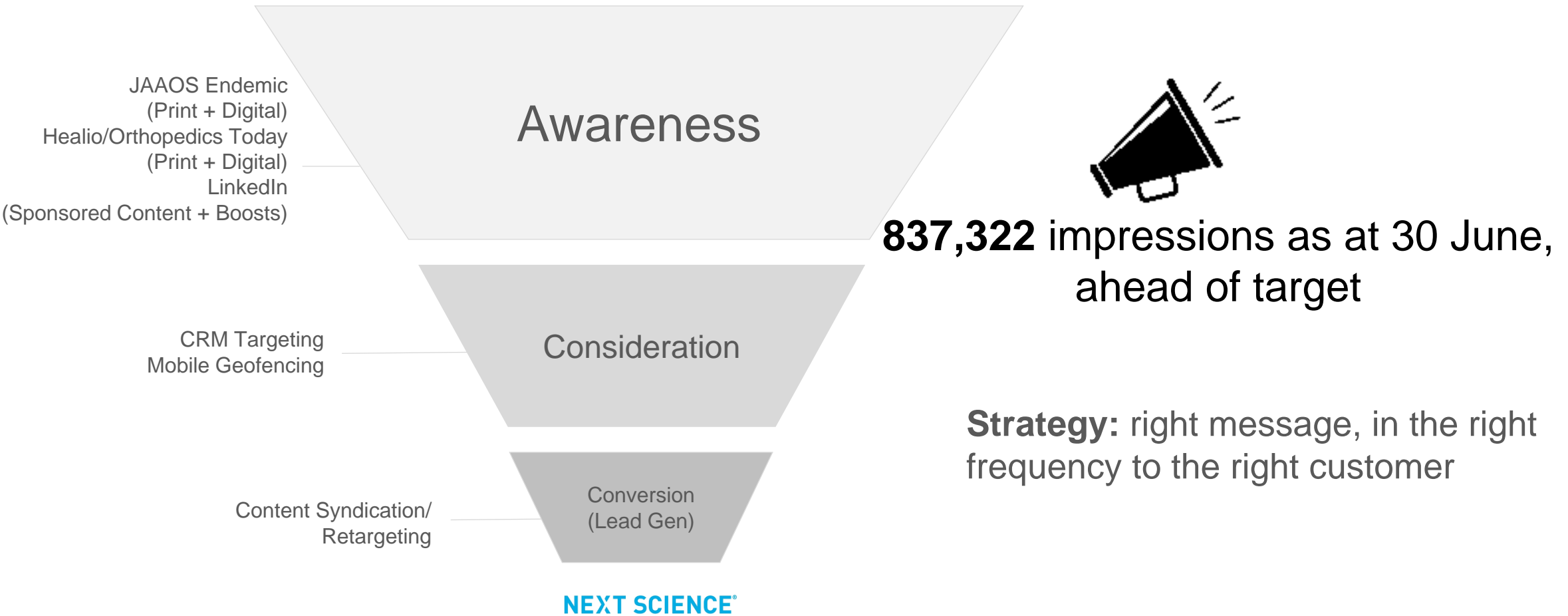
### Digital & Print Media

- » Webinars
- » Product Webpage
- » Banner Advertising
- » Medical publication
- » Case studies\*
- » White Papers\*
- » Eblasts

### Social Media

- » LinkedIn
- » Twitter
- » Facebook

**Goal:** US Brand and Product Recognition within first 8 – 12 months



- ✓ Impressions ahead of plan validates the market's need for an answer to surgical site infections.
- ✓ Marketing campaign is reaching the intended audience
- ✓ Messaging is resonating with audience and performing above industry benchmarks
- ✓ Content renewal program every 90 days. New content planned for the American Association of Orthopaedic Surgeons (AAOS) Conference (7 September)

# XPerience™ Clinical Studies to support breakthrough into mainstream adoption

Indication	Product	Size	Status	Comment
Compound Tibial Fracture Infection	XPERIENCE™	30	Patients being recruited	Sites – Dr C Harris Hughston Memorial Clinic Commenced Recruitment
Surgical Site Infection in Primary Joint Replacement in complex patients	XPERIENCE™	1,200	IRB Submission underway	Dr Mont Principle Investigator Northwell Group (NY, Long Island, Baltimore)
Surgical Site Infection in Colorectal surgery	XPERIENCE™	560	IRB Review underway	Randomised Control study 3 sites. Houston VA, Memorial Herman Hospital,
Surgical Site infection in Knees - PCR Study	XPERIENCE™	50	IRB Review Underway	Dr Jon Minter Northside Hospital Atlanta
Surgical Site infection in Primary Joints	XPERIENCE™	7600	Contract executed subject to IRB and product clearance by Canada Health	Randomised Controlled study over 5 sites in Canada PI Dr Beale, Dr Garceau University of Ottawa

These studies are funded by Next Science at an estimated cost over the next 24 months of US\$4M - US\$5M

# NEXT SCIENCE<sup>®</sup>

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