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Quarterly Activity Report 30 June 2022

Sydney Australia, Monday, 25 July 2022: Next Science Limited (ASX:NXS) (**Next Science**) today announces its Quarterly Activity Report and Appendix 4C Quarterly Cash Flow Report for the period 1 April 2022 to 30 June 2022 (**Q2**).

In accordance with ASX Listing Rule 4.7C, set out below is Next Science's activity report for Q2.

Activity Summary:

- Growth accelerating - Q2 Product Sales (unaudited) US\$3.3M, 99% increase on Product Sales versus the prior corresponding period (**pcp**)
- 1H Product Sales (unaudited) US\$5.2M, 67% increase of product sales on pcp
- First shipment to Zimmer Biomet of XPERIENCE™ in June 2022, to support the commencement in July of Zimmer's two month rollout of XPERIENCE™
- Further expansion of the Next Science direct sales force as well as the distribution network for both Surgical and Wound Care
- Distribution partners appointed for Australia and New Zealand for XPERIENCE™, Surg X™ and Blast X™ (sales commencing in Q2/Q3 2022)
- First delivery to Convatec US of TridentX™ Wound Wash in June 2022
- Legal dispute with Irrimax resolved and the case formally dismissed
- New CEO recruitment process ongoing
- Cash in the Bank US\$11.1M
- Payments to directors US\$172K

Managing Director Judith Mitchell commented that "I am pleased to report that the revenue tempo in the business has lifted. The strategies to expand market awareness and adoption of our Xbio platform technologies are gaining market traction. We have signed several new distribution agreements in the Quarter to expand our commercial reach and support for clinicians.

Clinicians continue to be very happy with the improved patient health outcomes they are achieving with our products and actively support the technology to their peers. The release of clinical data in Q3 will strengthen the unique value proposition of the company's technology to help with the issues of post operative complications".

Activity Report:

The accelerated revenue growth for the quarter was underpinned by both expansion of the distribution network and increased sales volumes through the direct business.

During July 2022, Zimmer Biomet started the rollout of XPERIENCE™ utilising 10 of their key distributor partners. The launch roll out is expected to take two months to cover the total field team, culminating in a Zimmer national sales team meeting at the end of August 2022.

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In addition, Convatec (the new owners of Triad Life Science) commenced the launch of TridentX™ Wound Wash in the US.

We are continuing to expand our distribution network for XPERIENCE™ outside of the US, with sales commenced in New Zealand in Q2 2022.

Further clinical studies and research has commenced. Additional independent research has also been published, supporting the performance of Xbio technology in lavages.

As announced at the AGM held on 27 May 2022, the Company has commenced a recruitment process for a new CEO to be based in the USA. This process is being conducted with the assistance of a well-regarded international search firm and is proceeding according to plan.

Cash receipts and expenditures

The last tranche of a capital raise was completed in the quarter after approval was granted by the shareholders at the AGM. Cash at the bank is now US\$11.1M and payments to directors were US\$172K.

Net cash used in operating activities was US\$3.5M.

Outlook

As the business moves into the second half of the year further contributions to revenue are expected from:

- XPERIENCE™ sales commencing in Australia in Q3 with the newly appointed Distribution Partner.
- BlastX™ to launch in Australia and New Zealand with Oraderm in Q3
- Continued growth of hospital and surgeon users in all markets, supported by the publication of clinical evidence.
- Expansion of the direct sales force and distribution network for Next Science in the US
- Zimmer Biomet launching XPERIENCE™ in the US orthopaedic market through their own sales network

Further Information:

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Approved and authorised for release by the Board of Directors.

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About Next Science

Next Science is a medical technology company headquartered in Sydney, Australia, with a research and development centre in Florida, USA. Established in 2012, the company's primary focus is on the development and continued commercialisation of its proprietary XBIO™ technology to reduce the impact of biofilm based infections in human health. XBIO™ is a unique, non-toxic technology with proven efficacy in eradicating both biofilm based and free floating bacteria. Next Science owns 100% of the patent protected intellectual property relating to its XBIO™ technology. For further information visit: www.nextscience.com

Forward looking statements

This announcement may contain forward looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may" and other similar words that involve risks and uncertainties. Such statements are not guarantees of future performance and involved known and unknown risks uncertainties, assumptions and other important factors, many of which are beyond the control of Next Science or its Directors and management, and could cause Next Science's actual results and circumstances to differ materially from the results and circumstances expressed or anticipated in these statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.