



NXS |

Investor Roadshow

April / May 2024

NEXT SCIENCE®

About Next Science



X BIO™ Platform

deconstructs, destroys, & defends against biofilm growth and recolonisation



7 Product Families

Across wound and surgical applications



TAM >US\$12.5bn

Across existing products¹



Surgical

Higher direct sales, GPO contract drive XPERIENCE® penetration



Wound Care

DME and BLASTX® drives penetration into advanced wound care



Distribution

Direct and partner channels with increasing focus on direct channel



Intellectual Property

56 patents and 23 publications



Regulatory Approvals

Multiple FDA cleared and commercialised products



Sales team

Mix of direct sales and agency reps (1099s)

1. Total Addressable Market (TAM) based on National Health Statistics Report, February 2017, SmartTRAK, NXS

Sales Restructure: DME

**Deliver net savings of approx. US\$6m on an annualised basis
and increase variability of sales cost base¹**

- 1 Maximising access for patients to receive XBIO™ technology.
- 2 Focus on productivity and penetration / market share of our sales territories.
- 3 Lower cost base of field sales force until productivity rate reaches profitable growth.
- 4 Position XBIO™ chronic wound care products in customers with different call patterns.
- 5 Surround XBIO™ chronic wound care products with suitable complementary portfolio.
- 6 Chronic wound care is a high touch sales call making selection of independent agents a critical exercise.
- 7 Fully implemented with lower cost base recognised by end 2Q FY24.

1. The benefit of these savings is expected during 2Q FY24 with a small proportion realised in 1Q FY24.



1Q FY24 Financial Highlights



Product Sales

US\$5.5m

+ 19% pcp, -23% qoq



Gross Margin

79% (1Q FY23: 66%)

FY23: 73%



XPERIENCE[®] Direct Sales

+49% pcp, +9% qoq



Direct Product Sales

US\$4.3m (79% of product sales)

+50% pcp, -24% qoq



Cash receipts

US\$5.4m

+42% pcp, -7% qoq



Closing Cash

US\$5.0m

31 Dec 2023: US\$9.2m

Business Overview



Our Purpose

Vision

Healing People and Saving Lives

Mission

Next Science strives to significantly improve patient outcomes, elevate physician efficacy, and create value within the overall healthcare system through relentless innovation and commitment to education and research on biofilm elimination, infection prevention, and treatments for inflammatory diseases.

XBIO™ - Destroys Biofilm Based Pathogens



Deconstructs the biofilm

Removes metal ions of the EPS¹, exposing pathogens within the biofilm



Destroys pathogens enveloped within the XBIO™ Technology

High osmolarity environment + cell membrane disaggregation induces lysis of bacteria within the product



Defends against recolonisation

Biofilm matrix cannot reform within the presence of XBIO™

Unique mechanism of action, with no known resistance from bacteria to XBIO™ technology

1. Extracellular polymeric substances

Next Science's Products Serve a US\$12.5bn Market

Surgical Products

XPERIENCE[®]

Key Target: Prevention of surgical site infection

SURGX[®]

Key Target: Prevention of infection on a surgical closure

Bactisure[®] **Surgical Lavage**

Key Target: Elimination of surgical site infection.

XBIO[™] Platform

Deconstructs biofilm,
destroys pathogens,
& defends against
recolonisation

Wound Care Products

BLASTX[®]

Key Target: Treatment of chronic wounds, foot & leg ulcers, pressure ulcers.

Collagen with BLASTX[®]

Key Target: Treatment of chronic wounds, complementary to BLASTX.

Acne Treatments

Key Target: Treatment of acne and breakouts. Online and retail in ANZ

XBIO™ - Surgical Site Infection Prevention

XPERIENCE® positioned to challenge surgical Standard of Care

Advanced surgical irrigation solution for surgical procedures

Key features

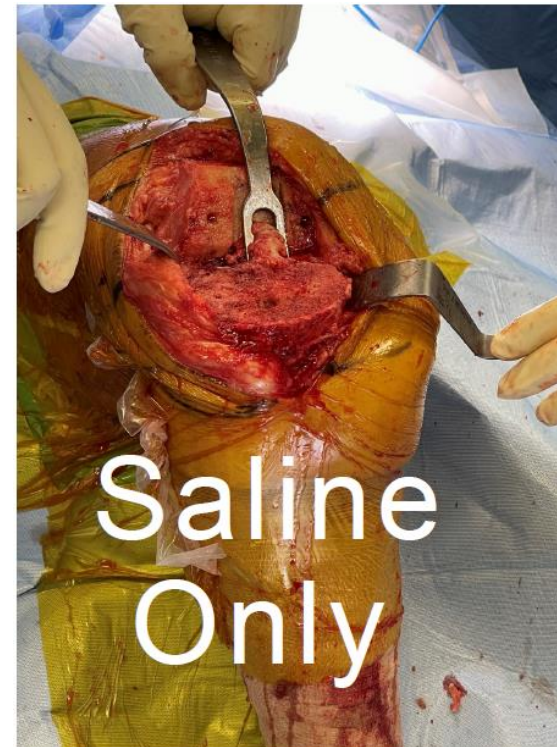
- 5+ hours of broad-spectrum efficacy bacteria and other microorganisms
- No rinse out required
- Biocompatible
- No change to surgical protocol
- Compatible with all implants

Forthcoming study results expected to confirm benefits for Patients, Surgeons and Hospitals

- **Patients:** Lower risk of surgical site infection and reduced inflammation leads to less pain and reduced opioid use ¹
- **Surgeons:** Better patient experience, reduce re-admissions
- **Hospitals:** Cost savings through lower re-admission rates

Market opportunity via 48m annual surgeries in the US²

Growing clinical data base on XPERIENCE® may have cross fertilisation benefits into the wound care market



A knee washed out with Saline prior to implant placement



A knee at the same time in surgery washed out with XPERIENCE®

1. ASX – 9/8/23 - Prospective randomised study with 30 patients in each arm of the knee study trial, demonstrating potential anti-inflammatory benefits of XPERIENCE
 2. National Health Statistics Report February 2017

XBIO™ Improves Treatment of Chronic Wounds

BLASTX® Antimicrobial Wound Gel improves wound management

Key characteristics include:

- Broad spectrum of efficacy
- Biocompatible and prevents bacterial growth within gel
- Provides a moist wound environment conducive to healing

Indications

- Stage I – IV pressure ulcers
- Partial and full-thickness wounds
- Diabetic foot and leg ulcers
- Post-surgical wounds
- First and second-degree burns
- Grafted and donor sites

Spontaneous rupture of traumatic hematoma in lower leg. Wound 8 weeks old when treatment commenced. High risk of severe infection



Differentiation: treatment regimen is flexible across all wound types and bacteria. Provides an answer to chronic wounds. Improves outcomes under NPWT. Some wounds may not proceed to tissue

Continued progress on key priorities

Drive XPERIENCE® Penetration



Expansion of DME



Growth in Distribution



Innovation

- **Distribution:** Utilise GPO access to drive new accounts, and expand field representation
- **Research:** Leverage research findings in existing accounts as well as new accounts to increase usage
- **Product:** Widen the XPERIENCE® formats to support a wider customer base

- **Distribution:** Drive growth into Wound Care Centres, Long Term Acute Care, and Skilled Nursing Facility
- Implement second site for fulfilment of DME orders

- Accelerate the product pipeline for increased sales value on existing distribution networks
- Accelerate growth opportunities with existing partners

- Determine pathways for patented developments of other applications of XBIO™ technology

Strategy & Outlook



Strategic Aspirations

XBIO™ Brand
Excellence

Total Patient
Solutions

Gold Standard
for Infection
Prevention

Gold Standard
for Education
and Science on
Biofilm

Top Talent
Destination as a
Company

Innovation
beyond SSI and
Chronic Wounds
protected by IP

Strategic Priorities

FY2024 – FY2026

Succeed in Full Orthopaedic Market

Accelerate Penetration in Chronic Wound in Long Term Care Centres

Launch Solution for Wounds due to Hidradenitis Suppurativa (HS)

Crack the code for Military and First Responder Channels



Outlook

- 1 Increase penetration and productivity of the DME structure and drive further improvement in revenue quality
- 2 Drive higher direct sales of BLASTX® to Long Term Care Centres and Veterans Affairs clinics
- 3 Direct sales of XPERIENCE® expected to benefit from expanded GPO footprint and extension of use case from high risk to prophylactic use
- 4 Consolidation of sales leadership and sales team restructure expected to deliver significant improvements in future productivity and efficiency
- 5 Publication of additional clinical research for BlastX® and XPERIENCE® expected in next 12 months

FY24 Guidance

- > FY24 Revenue of **US\$36-40m**
- > Expect to be EBITDA and Cashflow positive during H2 FY24

Appendix



FY23 Financial Highlights



Revenue

US\$22.2m

+ US\$10.5m or 89% yoy



Gross Profit

US\$16.2m

+US\$7.1m or 77% yoy



Gross Margin

73% (H2 FY23: 78%)

FY22: 78%



EBITDA Loss

(US\$14.8m)

FY22: (US\$11.8m)



Direct Product Sales

US\$16.9m (76% of product sales)

+US\$11.2m or 195% yoy



Product Sales

US\$22.1m

+US\$10.5m or 90% yoy



Cash receipts

US\$20.1m

+US\$9.5m or 89% yoy



Closing Cash

US\$9.2m

FY22: US\$5.1m

Clinical Studies - XPERIENCE®

Indication	Product	Study Size	Structure	Sites	Status
Post-op Infection of Primary Joint Replacement	XPERIENCE®	7600	Investigator Research Study. (product donated) XP v 0.3% Betadine	Dr Beale and Dr Garceau Ottawa Hospital Research Institute, Canada Randomised Controlled study over several sites in Canada	Three sites commenced recruitment with 471 patients enrolled. All other sites pending recruitment
Impact of XPERIENCE on Bone Cement Adhesion	XPERIENCE®	In-vitro & Animal study	Clinical and Laboratory collaboration	University of New South Wales And Dr R Bashyal, Chicago	Study completed Paper in progress 2HFY24
Retrospective Post Operative Infection Rates	XPERIENCE®	1,295	Investigator Research Study XPERIENCE v standard of care	Dr. Ravi Bashyal	Paper submitted for publication 2HFY24 Preliminary results released on VuMedi https://www.youtube.com/watch?v=EIDtJnobZlw
Breast Augmentation	XPERIENCE®	186	Investigator Research Study (product donated). Three arms: XPERIENCE v 10% Betadine v “Triple Antibiotic Solution”	Dr A Deva Integrated Specialist Healthcare Education and Research Foundation, Australia	Study completed Paper in progress 2HFY24
Post-op Infection of Primary Joint Replacement in High-Risk Patients	XPERIENCE®	936	Investigator Research Study (product donated) XP v saline	Dr Mont, Sinai Hospital of Baltimore, MD Dr Scuderi, Northwell Health /Lennox Hill Hospital NY	69/936 patients enrolled
Infection in Long Bone Fracture Fixation	XPERIENCE®	3	Investigator Research Study (product donated) XP v saline	Dr. Zsolt Balogh John Hunter Hospital, NSW, Australia	Awaiting initiation

Clinical Studies - BLASTX[®]/SURGX[®]

Indication	Product	Study Size	Structure	Sites	Status
Hidradenitis Suppurativa	BLASTX [®]	15	Investigator Research Study. (product donated)	Dr. Hadar Lev-Tov, University of Miami Health, FL	Study completed, pending publication
Total Shoulder Arthroplasties	SURGX [®]	60	Investigator Research Study. (product donated)	Dr. Otto, St. Louis University, MO	Research paper in write-up phase
Primary Hip & Knee Arthroplasties	SURGX [®]	700	Investigator Research Study. (product donated) SoC + SURGX v SoC alone	Dr Mont, Sinai Hospital of Baltimore, MD Dr Scuderi, Northwell Health /Lennox Hill Hospital NY	Currently enrolling

Recent Publications

Date	Area	Authors	Hyperlink
April 2024	XPERIENCE® and infection	Robert Harris MD, Marshall Williams MD	https://onlinelibrary.wiley.com/doi/10.1111/os.14052
April 2024	XPERIENCE® and infection	Ronald Singer MD	https://www.liebertpub.com/doi/10.1089/sur.2023.304
April 2024	Negative Pressure Wound Therapy and BLASTX®	Thomas Serena MD et al.	https://www.mdpi.com/2075-4418/14/7/774
December 2023	XPERIENCE® and inflammation	Louis Battista MD, Andrew Wickline, MD	https://journaloei.scholasticahq.com/article/89994
December 2023	Biofilm disrupting technology (gel, wash, disinfectant)	Cox, Manavathu, Wakade, Myntti, Vazquez (Medical College of Georgia, Next Science)	https://onlinelibrary.wiley.com/doi/10.1111/myc.13684
May 2023	SurgX® effectiveness	Kelly, Bae, et al. (The Hughston Foundation, The Hughston Clinic, Jack Hughston Memorial Hospital)	https://www.cureus.com/articles/140545-superficial-surgical-site-infections-in-primary-total-joint-arthroplasty-a-retrospective-analysis-of-topical-anti-biofilm-therapy?score_article=true#!/authors
Apr 2023	Acne treatment	Marshall-Hudson, Tuley, Damstra, Dosik, Myntti, Porral, Palomo (TXL Research Inc., Next Science)	https://pub-press.mydigitalpublication.com/publication/?m=54680&i=787927&p=42&ver=html5
March 2023	Irrigation, Biofilms, Infection	Cheng, Owen , Swink, Myntti (Allegheny Health Network poster presentation at Orthopaedic Research Society meeting.	https://lnkd.in/eN3CnXv2
March 2023	BlastX® effectiveness	Regulski, Myntti, Garth et al. (Wound Care Institute, Next Science, Montana State University)	https://www.mdpi.com/2079-6382/12/3/536
January 2023	Discovery: Spine Disease	Fresquez, Chung, Pereira, et al. (USC)	https://doi.org/10.1016/j.spinee.2023.01.011

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December 2022	Irrigation, Biofilms, Infection	Sosnoski, Dietz, Bou-Akl, et al. (Michigan State University)	https://pubmed.ncbi.nlm.nih.gov/36643380
December 2022	BLASTX effectiveness	Myntti, Stevenson, Porral, et al. (Next Science)	https://pubmed.ncbi.nlm.nih.gov/36645660/
November 2022	Discovery: Oral Rinse	Newman, Rosebrough, Tamashiro et al. (UF Gainesville)	https://pubmed.ncbi.nlm.nih.gov/36324127/
October 2022	Discovery: Catheter treatment	Nvarro, Sherman, Colmer-Hamood et al. (Texas Tech)	https://pubmed.ncbi.nlm.nih.gov/36358169/
July 2022	Irrigation, Biofilms, Infection	Whiteley, Helms, Muire, et al. (US Army Surgical Research)	https://pubmed.ncbi.nlm.nih.gov/35840981/
Feb 2022	Irrigation, Biofilms, Infection	Wu, O'Donnell, Cochrane, et al. (Duke University)	https://pubmed.ncbi.nlm.nih.gov/35158106/
Feb 2022	Irrigation, Biofilms, Infection	Christopher, Tran, Vernon, et al. (Mayo Clinic AZ)	https://pubmed.ncbi.nlm.nih.gov/34740788/
Feb 2022	Irrigation, Biofilms, Infection	Bashyal, Mathew, Bowen, et al.	https://www.arthroplastyjournal.org/article/S0883-5403(22)00062-6/fulltext
Jan 2022	Irrigation, Biofilms, Infection	O'Donnell, Jams, Seyler et al. (Duke University)	https://journals.healio.com/doi/full/10.3928/01477447-20211227-05
Dec 2021	Irrigation, Biofilms, Infection	Plate, Zuskov, Seyler (Duke University)	https://pubmed.ncbi.nlm.nih.gov/35629656/
Oct 2021	Irrigation, Biofilms, Infection	Knapp, Chen, Scuderi, et al. (Northwell Health & Rubin Inst)	https://pubmed.ncbi.nlm.nih.gov/35840981/
Sep 2021	Irrigation, Biofilms, Infection	O'Donnell, Jams, Seyler et al. (Duke University)	https://pubmed.ncbi.nlm.nih.gov/33934664/
May 2021	Irrigation, Biofilms, Infection	Kia, Cusano, Messina, et al. (University of Connecticut)	https://pubmed.ncbi.nlm.nih.gov/33529773/

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