

2025 AGM – Addresses by the Chair and Managing Director and CEO

Next Science Limited (ASX:NXS) (“Next Science” or “the Company”) confirms that its 2025 Annual General Meeting (**AGM**) will be held today Friday, 9 May 2025 commencing at 10:00am (Sydney time).

Attached are copies of the addresses to be delivered at the AGM by the Chair, Aileen Stockburger, and the Managing Director and Chief Executive Officer, I.V. Hall. These should be read in conjunction with the presentation slides which are being lodged separately.

The addresses are provided in accordance with ASX Listing Rule 3.13.3.

Approved and authorised for release by CEO & Managing Director

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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

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Chair's Address

Before moving to the formal part of the meeting, I would like to provide an overview of the 2024 financial year. I will then hand over to our CEO and Managing Director I.V. Hall who will provide an update on strategy and the key priorities for the business.

2024 was another important year for Next Science as we transformed our sales force, improving the quality of our revenue and increasing the variability of our cost base.

The right-sizing of our cost base which was undertaken during the year, led to a US\$7m reduction in our cash burn and significant margin improvement.

This drove a substantial reduction in our FY24 EBITDA loss as we continued to make good progress towards achieving our objective of being cash flow and Adjusted EBITDA positive.

In 2024, Next Science achieved these milestones for one month in the December quarter and we were cash flow positive for two non-consecutive months during the year.

These changes have transformed our business - enhancing our ability to scale and positioning us well for future growth.

In July 2024, we put in place a US\$5m unsecured loan facility to provide access to additional capital as our products continue to challenge the standard of care.

The publication of additional clinical research for both BLASTX and XPERIENCE in 2024 demonstrated the effectiveness of our products leading to even broader recognition in the medical community.

Recent clinical studies have shown that XPERIENCE lowers the risk of surgical site infection and reduces post-procedure inflammation, often reducing pain and opioid use. This delivers significant value to the healthcare system as fewer infections and less inflammation lowers overall healthcare costs. Research published during the year also highlighted the efficacy of BLASTX in treating chronic wounds such as pressure ulcers.

We continued to recruit for our 7,600-patient study into periprosthetic joint infections or PJI through the Hospital Research Institute in Canada. The randomised controlled study will be one of the largest orthopaedic studies ever conducted and will assess the rate of PJI in patients undergoing primary total knee arthroplasty, total hip arthroplasty or hip resurfacing with XPERIENCE versus diluted Betadine. Investigator site onboarding continues to plan with 1,220 patients enrolled across five sites at the end of 2024.

Turning to our FY24 results which are summarised on Slide 3, Next Science delivered record revenue of US\$22.8m which was 3% higher year-on-year. Strong growth in direct sales of XPERIENCE and partner sales was offset by a decline in the Durable Medical Equipment or DME channel as we restructured that business and moved to a mainly agency or independent sales force.

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Direct product sales of US\$17.4m were up 3% and accounted for 76% of total sales.

Within the Surgical segment, direct sales of XPERIENCE were 99% higher year-on-year due to the increase in clinical evidence, extension of the use case from high-risk to prophylactic and the opportunities created by the U.S. saline shortage in the December quarter.

FY24 Gross Profit increased by 14% to US\$18.4m and our gross margin increased to 81% from 73% due to the shift in product mix with XPERIENCE representing a higher proportion of sales.

Our Adjusted EBITDA loss of (US\$8.0m) represented a US\$6.8m improvement on the prior year, reflecting our cost out initiatives which reduced OPEX by 15% year-on-year.

Net operating cash outflows recorded a similar level of improvement reducing from US\$15.1m in FY23 to US\$8.0m in FY24.

At 31 December 2024, Next Science had closing cash of US\$1.7m and debt of US\$2.0m.

A lot was achieved during 2024 as Next Science continued to realise its vision of healing people and saving lives. Our products are more widely used today than they were a year ago with our proprietary XBIO technology reducing the devastating impact of biofilm-based infections.

Our relatively new executive team lead by I.V. has worked incredibly hard to put in place a finetuned strategy that positions the business for success.

On behalf of the Board, I would like to thank all our people for their continued dedication and commitment to our business.

I would also like to thank our board of directors who have provided valuable counsel and guidance during another important year for the business.

Finally, I would like to thank you, our Shareholders, for your ongoing support.

CEO's Address

Good morning, everyone and I would like to add my welcome to today's AGM.

At Next Science, our vision is to heal people and save lives by reducing the devastating impact of biofilm-based infections. We strive to improve patient outcomes, elevate physician efficiency and create value within the overall health system.

Our XBIO technology acts to deconstruct biofilm, destroy the pathogens within it and defend against recolonisation. Due to XBIO's unique mechanism of action, there is no known resistance from bacteria to this technology.

Slide 6 shows that our products serve a US\$12.5bn market across two main segments – Surgical Site Infection and Wound Care products.

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We have approached serving these markets through direct sales and via strategic partnerships, with a specific example being our exclusive partnership with Zimmer Biomet on Bactisure.

Turning to Slide 7, we made considerable progress across key areas of the business in FY24.

Our 2024 priorities were to implement a new, more variable cost base and execute a sales transformation that would lay the foundation for future growth. The process began with the consolidation of our sales leadership and implementation of a unified field strategy to meet customer demand and provide access to our entire XBIO product portfolio.

We restructured our DME sales team and go-to-market strategy, moving from a direct sales model to one that is focused on independent, agency representatives who earn commissions on what they sell. These changes have delivered a more scalable sales force and variable cost structure resulting in annual cost savings and significant reduction in cash burn. At the same time, we invested in new capabilities for onboarding independent sales agents, providing training with a dedicated curriculum and materials on both our surgical and wound care products.

The investment in additional data and research made possible by the 2023 equity raising further deepened our understanding of our core markets and led to the implementation of new processes. The introduction of new metrics and analytics allowed us to better assess the performance of our sales force with a focus on productivity and market share gain in a given territory.

As a result, we are better positioned for profitable growth than we were a year ago.

In FY24, we were particularly pleased with the strong growth in direct sales of XPERIENCE. The U.S. saline shortage created opportunities to accelerate the review process with new customers, contributing to a tripling of XPERIENCE sales in the December quarter on the prior corresponding period. A key focus in 2025 will be to retain and nurture these new customers.

On the wound care side, we continue to increase our payor base in the DME channel and add to the independent sales force which sells both BLASTX and DME. As part of our unified field strategy, BLASTX is now included in our surgical sales channel which opens the door to selling commercial BLASTX to complement the use of XPERIENCE.

As Aileen mentioned, several clinical studies involving our products were published during the year in peer-reviewed journals, and we continue to enrol patients and onboard investigator sites for our Canadian study.

Slide 8 shows our Strategic Priorities which remain focused on succeeding in the full orthopaedic market, not just the total joint market.

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We will accelerate the penetration of commercial BLASTX and expect to launch a solution targeted at a very difficult and painful disease state with tunnelling wounds known as Hidradenitis Suppurativa.

Finally, as a company focused on biofilm and infection prevention, we believe we can better eradicate these complications if we get to the patient as soon as possible. That means making our product available to First Responders and in the battlefields to treat injuries as soon as they happen.

Turning to the year ahead, we will continue to focus on driving growth in our core products and challenging the standard of care across the medical community.

We continue to make good progress in increasing brand awareness, product adoption and advocacy. This includes engaging with clinicians who are excited to study the benefits of using our products.

We also maintain a disciplined approach to cost and cash management and remain focused on achieving positive Adjusted EBITDA and cashflow.

Finally, I would like to acknowledge and thank our Board, team, and shareholders for their invaluable contribution to the continued growth of our Company.