

Capital raising presentation

24 February 2022

Approved by the Board of Next Science

NEXT SCIENCE[®]

Important notices & disclaimers

This presentation has been prepared by Next Science Limited ACN 622 382 549 (**Company** or **Next Science**). It contains general background information only which is current at the date of this presentation unless otherwise specified. 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. Prospective investors should not rely on the information contained in this presentation, and must satisfy themselves as to the accuracy of all such information. This presentation has been prepared based on information available at the time of preparation and is subject to change without notice. In receiving this presentation, each recipient agrees to the foregoing terms and conditions, including any modifications to them. No person is under any obligation to update this presentation at any time after its release.

This presentation is provided to sophisticated and professional investors only in relation to an offer for shares in the Company. This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of securities in the Company in any jurisdiction. It is not a prospectus, product disclosure statement, pathfinder document or any other type of public offer disclosure document for the purposes of the Corporations Act 2001 (Cth) (Corporations Act) and has not been, and is not required to be, lodged with the Australian Securities and Investments Commission. It should not be relied upon by the recipient in considering the merits of the Company, or the acquisition of securities in the Company.

This presentation does not constitute investment or financial product advice. It is not intended to be used as the basis for making a financial decision, nor is it intended to constitute legal, tax, accounting or other advice. 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. To the extent that certain statements contained in this presentation may constitute 'Forward Statements' or statements about forward looking matters, then the information reflects the Company's (and no other party's) intent, belief or expectations as at the date of this presentation. No independent third party has reviewed the reasonableness of any such statements or assumptions. None of the Company, its related bodies corporate and its officers, directors, employees, advisers, partners, affiliates and agents (together, the NXS 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.

Important notices & disclaimers (continued)

All dollar values are in Australian dollars (\$) or A\$) unless otherwise stated.

An investment in the Company's securities is subject to known and unknown risks, many of which are beyond the control of the Company, including factors and risks specific to the industry in which the Company 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 or the performance of the Company, 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. The presentation is not an offer of securities in the Company for subscription, purchase or sale in any jurisdiction outside Australia, including the United States or in relation to any US person (as defined in Regulation S under the U.S Securities Act of 1933, as amended). 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, 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 NXS 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 NXS 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.

Capital raising overview: A\$15.0m raise to support commercial rollout and further clinical program development

Offer structure and size	<ul style="list-style-type: none"> • Two tranche institutional placement to sophisticated and professional investors to raise approximately A\$10 million (the “Placement”) • Issue of approximately 11.1 million shares (“New Shares”), equivalent to 5.6% of Next Science’s total current shares outstanding <ul style="list-style-type: none"> – A\$6.0 million to be raised within Next Science’s placement capacity under ASX Listing Rule 7.1 (Tranche 1) – A\$4.0 million commitment from major shareholder Mr. Lang Walker, with completion conditional upon shareholder approval (Tranche 2) • The Placement is not underwritten
Offer Price	<ul style="list-style-type: none"> • Placement priced at A\$0.90 per New Share (“Offer Price”), representing a: <ul style="list-style-type: none"> – 12.6% discount to the last traded price of A\$1.03 on Tuesday, 22 February 2022; – 15.5% discount to the 5-day Volume Weighted Average Price (“VWAP”) of A\$1.07 up to and including Tuesday, 22 February 2022
Use of proceeds	<ul style="list-style-type: none"> • See page 5 for further detail
Share Purchase Plan	<ul style="list-style-type: none"> • Next Science will offer eligible Australian and New Zealand shareholders the opportunity to acquire up to A\$30,000 of New Shares via a share purchase plan (“SPP”) • The issue price for New Shares issued under the SPP will be the lower of: <ul style="list-style-type: none"> – the Offer Price under the Placement (A\$0.90) – the price that is a 2% discount to the VWAP of Next Science shares on the ASX over the five trading days up to, and including, the closing date of the SPP (rounded down to the nearest cent) • The SPP will be capped at A\$5.0 million and is not underwritten • An SPP booklet including further details of the SPP offer will be sent to eligible shareholders in due course
Ranking	<ul style="list-style-type: none"> • New Shares issued under the Placement and SPP will rank equally with all existing Next Science shares
Joint Lead Managers	<ul style="list-style-type: none"> • Wilsons Corporate Finance and Canaccord Genuity (Australia) are acting as Joint Lead Managers to the Placement

Source and use of funds

- A\$10.0 million Placement, and concurrent SPP raising up to A\$5.0 million (~US\$10.8 million total proceeds)
- Proceeds to be used to:
 - Accelerate the growth profile of the business and invest in sales and marketing;
 - Invest in clinical trials to provide further evidence of the efficacy of XPERIENCE™; and
 - Strengthen balance sheet and provide working capital flexibility
- Pro forma net cash of US\$17.8 million post offer leaves Next Science well-capitalised and with sufficient funding to deliver on its commercial and clinical programs

Sources & Uses ¹		
Source of funds	(US\$m)	% OF TOTAL
Placement – Tranche 1	4.3	40%
Placement – Tranche 2	2.9	27%
Share Purchase Plan (SPP)	3.6	33%
Total source of funds	10.8	100%
Expected use of funds	(US\$m)	% OF TOTAL
Sales & Marketing (including salaries)	3.7	34%
Clinical Studies	2.7	25%
Inventory	1.2	11%
Medical device product development & regulatory	1.0	9%
Working capital and other	1.7	16%
Offer related costs	0.5	5%
Total use of funds	10.8	100%

Notes: 1. Assumes USD / AUD exchange rate of 0.7187. Total raise size of A\$15m assumed in sources and uses table

Indicative offer timetable

Event	Date
Trading Halt	Wednesday, 23 February 2022
Bookbuild completed	Wednesday, 23 February 2022
SPP record date	7:00pm, Wednesday, 23 February 2022
Announce outcome of Placement (pre-open) and recommence trading / Announce SPP	Thursday, 24 February 2022
Placement settlement via DvP (Tranche 1)	Wednesday, 2 March 2022
Issue of Placement shares (Tranche 1)	Thursday, 3 March 2022
SPP offer opens, Offer Booklet mailed to shareholders	On or about Friday, 4 March 2022
SPP offer closes	Wednesday, 23 March 2022 unless extended
Announce SPP results	Monday, 28 March 2022
Issue of new shares issued under the SPP	Tuesday, 29 March 2022
Trading of SPP shares commences	Tuesday, 29 March 2022
Shareholder meeting to approve issue of shares to NXS substantial holder, Mr. Lang Walker	Friday, 27 May 2022

These dates are indicative only and subject to change: Next Science reserves the right, subject to the Corporations Act 2001 (Cth) and the ASX Listing rules, to amend this indicative timetable without notice. In particular, Next Science reserves the right to extend the SPP offer closing date, accept late applications under the SPP offer (either generally or in particular cases) and to withdraw or vary the Placement or SPP offer without prior notice. Any extension of the closing date will have a consequential effect on the date for the allotment and issue of new shares. The timetable in respect of the Placement can only be amended by Next Science with the agreement of the lead managers.

NEXT SCIENCE[®]

ABN: 47 622 382 549

Suite 1902, 821 Pacific Highway Chatswood NSW
2067

Key risks

- **Regulatory approvals:** Next Science's distribution partners and customers rely on having regulatory approved products. Next Science's business is governed by various regulations in the jurisdictions in which it operates and proposes to operate. There is no assurance that delays will not occur in connection with obtaining the necessary approvals for products. Any delay in the receipt of regulatory clearance may result in a delay to the intended launch date of certain products, which will delay revenue and adversely affect Next Science's financial performance. In the event that any relevant licenses or approvals were not granted, not renewed, withdrawn, or made subject to conditions that were onerous or unacceptable to Next Science, Next Science and its business could be materially adversely affected.
- **Reliance on distribution partners:** The key distribution channels for Next Science's products are through distribution partners. The success of Next Science's business relies on its ability to attract and retain distribution partners, as well as the success of its distribution partners' sales and marketing teams to adequately promote Next Science's products. The loss of, or a significant decrease in, the business from a distribution partner could adversely impact the Company's revenues. If distribution partners do not continue to purchase Next Science's products, terminate the existing contracts or do not increase their usage over time, Next Science's operating and financial performance may be adversely affected.
- **Intellectual property:** The value of Next Science's products is dependent on Next Science's ability to protect its intellectual property, including by trademarks, copyright, patent and moral rights. Any failure to adequately protect its intellectual property rights could have an adverse impact on Next Science's operating and financial performance.
- **Ability to attract and retain key personnel:** The success of Next Science's business is dependent on retaining key members of senior management. There is a risk that the departure of such personnel, or any delay in their replacement, could have a significant negative impact on management's ability to operate the business and achieve financial performance targets, in addition to harming Next Science's research and development programs.
- **Competitive industry:** Next Science competes against a wide range of other health care companies that treat human infections, some of which have significantly more resources than Next Science. The Company's failure to compete effectively against existing competitors and potential new entrants could have a material adverse effect on the business.
- **Product acceptance:** Next Science's success depends on market acceptance and adoption of Next Science's products. This will depend on many factors, including clinical evidence demonstrating the positive clinical and cost benefit outcomes and Next Science's ability to develop and market products. If sufficient market acceptance is not achieved, the growth in Next Science's revenue may slow or decline which will have an adverse impact on Next Science's operating and financial performance.
- **Development of products:** Next Science's business is dependent on the continued improvement of existing products and development of new products utilising current or other potential future technology. The Company cannot guarantee that any products under development will result in the launch of a commercially viable product. If Next Science does not develop new products and product enhancements on a timely basis, the products may become obsolete over time and revenues, cash flow, profitability and competitive position will suffer. Difficulties or delays in research, development or production of new products and services or failure to gain market acceptance of new products and technologies may reduce future revenues and adversely affect Next Science's competitive position.

Key risks (continued)

- **Product defects and recalls:** Next Science's products may contain undetected defects when first introduced or new products are released. Disruptions affecting the introduction, release or performance of Next Science's products may damage customers' businesses and could harm their and Next Science's reputation as well as the health of patients. If that occurs, Next Science may incur significant costs, the attention of key personnel could be diverted, or other significant customer relations problems may arise. Next Science may also be subject to warranty and liability claims for damages related to defects in the products. In addition, if Next Science does not meet industry or quality standards, if applicable, the products may be subject to recall. A material liability claim, recall or other occurrence that harms Next Science's reputation or decreases market acceptance of the products could adversely impact the Company's operating results.
- **Reliance on third party manufacturers:** Next Science engages contract manufacturers for the production of its products. Due to the speciality of the products which Next Science distributes there is a limited pool of qualified suppliers. There is a risk the disruption to any key supplier could have an adverse impact on the availability of Next Science's products to distribution partners and end users.
- **Failure to manage growth:** Next Science's future success depends on its ability to effectively manage growth in revenue, employee numbers and customer base. Failure to appropriately manage growth could result in failure to retain existing distribution partners and customers and a failure to attract new distribution partners or customers which could adversely affect Next Science's operating and financial performance.
- **Impact of COVID-19:** Events relating to COVID-19 have resulted in significant investment market falls and volatility, including in the prices of securities trading on the Australian Securities Exchange (ASX) and on other foreign securities exchanges. There is continuing uncertainty as to the ongoing impact of COVID-19. Next Science's share price may be adversely affected in the short to medium term by economic uncertainty caused by COVID-19.
- **Investment risks:** There are risks associates with any stock market investment, including the demand for Next Science securities, which may increase or decrease and Next Science securities may trade above or below the issue price on the ASX. If Next Science issues new securities, an existing securityholder's proportional interest in Next Science may be reduced. The market price of Next Science securities may be affected by factors unrelated to the operating performance of Next Science such as stock market fluctuations and volatility and other factors that affect the market as a whole.
- **Macro-economic risks:** Changes to economic conditions in Australia and internationally, investor sentiment and international and local stock market conditions, changes in fiscal, monetary and regulatory policies which may impact economics conditions such as interest rates and inflation and consequently the performance of Next Science.
- **Taxation changes:** An investment in securities involves tax considerations which differ for each securityholder depending on their individual financial affairs. Changes in tax law or changes in the way taxation laws are interpreted, may impact Next Science's tax liabilities or the tax treatment of a securityholder's investment.
- **Litigation risk:** In the ordinary course of business, Next Science may be involved in litigation disputes from time to time. Litigation disputes with third parties may adversely impact the financial performance and industry standing of the business.
- **Other risks:** This list of risk factors above is not an exhaustive list of the risks faced by the Company or by investors in the Company. The risk factors described in this section as well as risk factors not specifically referred to above may in the future materially affect the financial performance of the Company and the value of its securities.

Offer jurisdictions and disclaimers

International Offer Restrictions

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Malaysia

This document may not be distributed or made available in Malaysia. No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of New Shares. The New Shares may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedule 6 and Schedule 7 of the Malaysian Capital Markets and Services Act 2007.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or

Offer jurisdictions and disclaimers (continued)

Singapore (continued)

purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Accordingly, the New Shares will be offered and sold in the United States only to dealers or other professional fiduciaries organised in the United States that are acting for a discretionary or similar account held for the benefit or account of non-US persons ("Eligible US Fund Managers") in compliance with Regulation S under the US Securities Act.