

8 January 2025

Litigation involving former employee

Next Science Limited (ASX:NXS) ("Next Science" or "the Company") advises that a former employee, Michael Morello has filed a derivative complaint in the Duval County - Fourth Judicial Circuit Court in Florida, purportedly as a shareholder on behalf of the Company and its subsidiary, Next Science LLC, alleging breaches of fiduciary duties and mismanagement against several employees.

Mr Morello was VP, Wound Care Sales at Next Science LLC until December 2023. In May 2024, Next Science LLC commenced litigation against Mr Morello and several former employees for breach of post-employment restraints ("Non-Compete Action").

Mr Morello's complaint makes several claims including that Next Science's X BIO™ technology has not been approved by the FDA as a biofilm eradication process and that the Company did not take adequate measures to address safety concerns about the use of its surgical solution XPERIENCE™ in breast implant procedures.

The Company confirms that the products it sells are safe, effective, approved by the FDA (the US healthcare regulatory authority) and promoted within their FDA approved intended use.

The Board is concerned that the Complaint has not been brought in good faith due to the fact that Mr Morello has sought to tie the derivative complaint to the Non-Compete Action. However, the Company is following recommended practice in undertaking an independent investigation into the matters alleged.

Next Science has, in consultation with its insurers, engaged US attorneys in relation to both proceedings and the Company and Next Science LLC will continue to pursue the Non-Compete Action against Mr Morello and several former employees for the breach of post-employment restraints.

Next Science will provide further updates as and when there is material progress in these USA civil proceedings.

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.