

Company details

Name of entity:	Next Science Limited
ABN:	47 622 382 549
Reporting period:	For the half-year ended 30 June 2025
Previous period:	For the half-year ended 30 June 2024

Results for announcement to the market

					USD \$
Revenues from ordinary activities	down	7%	to		10,491,366
Loss from ordinary activities after tax attributable to the owners of Next Science Limited	down	20%	to		(4,687,973)
Loss for the year attributable to the owners of Next Science Limited	down	20%	to		(4,687,973)

Dividends

No dividend was paid or proposed during the half-year ended 30 June 2025 (2024: USD \$nil)

Refer to the Operating and Financial Review within the Directors' Report for further commentary on the half-year's results, financial position and likely developments in future years.

Net tangible assets

	Reporting period USD Cents	Previous period USD Cents
Net tangible assets/(liabilities) per ordinary security	(0.84)	1.62

The net tangible asset per ordinary security is calculated based on 292,160,234 ordinary shares on issue at 30 June 2025 and 291,695,103 shares that were in existence at 30 June 2024 and includes right of use assets.

Control gained over entities

Not applicable.

Loss of control over entities

Not applicable.

**Next Science Limited**  
**Appendix 4D**  
**30 June 2025**

Other information requiring disclosure to comply with ASX listing Rule 4.2A.3 is contained in and should be read in conjunction with the Financial Statements, the notes to the Financial Statements and the Directors' Report for the half-year ended 30 June 2025 attached to this report.

This report is based on the Condensed Consolidated Financial Statements and Notes of Next Science Limited which have been reviewed by KPMG.

**Signed**

A handwritten signature in black ink, appearing to read 'Aileen Stockburger', written over a horizontal line.

Aileen Stockburger  
*Chair*

29 August 2025

**Next Science Limited**

**ACN 622 382 549**

**Interim Report - 30 June 2025**

**Next Science Limited**  
**Contents**  
**30 June 2025**

Directors' report	2
Auditor's independence declaration	4
Condensed consolidated statement of profit or loss and other comprehensive income	5
Condensed consolidated statement of financial position	6
Condensed consolidated statement of changes in equity	7
Condensed consolidated statement of cash flows	9
Notes to the condensed consolidated financial statements	10
Directors' declaration	18
Independent auditor's report to the members of Next Science Limited	19

**Next Science Limited**  
**Directors' report**  
**30 June 2025**

The Directors present their report together with the consolidated financial statements of the Group comprising of Next Science Limited (**Next Science/Company**), and the entities it controlled at the end of, or during, the half-year ended 30 June 2025. All amounts are presented in US dollars (USD) unless otherwise stated

**Directors**

The Directors of the Company in office during or since the end of the half-year were as follows:

**Current**

Aileen Stockburger  
Harry Thomas Hall, IV (I.V. Hall)  
Grant Hummel  
Katherine Ostin

**Operating and financial review**

*Principal activities*

The principal activities of the Group during the course of the half-year were the research, development and commercialisation of technologies to resolve the issues caused by biofilms and their incumbent bacteria, fungus and viruses and the infections they cause with a focus on human health. The Company is headquartered in Sydney, Australia and has a research and development centre and sales and marketing functions located in Florida, USA.

*Significant changes in the state of affairs*

On 1 July 2025, the Group announced to the ASX that it had entered into a binding asset purchase agreement to sell substantially all of its assets to OSARTIS GmbH, a portfolio company of Demetra Holding S.p.A (OSARTIS) including all acquired regulatory approvals, contracts, intellectual property, inventory, records and goodwill (Acquired Assets), excluding the Durable Medical Equipment (DME) business. As consideration for the Acquired Assets and in addition to the assumption of the certain agreed liabilities, OSARTIS has agreed to pay a total purchase price of US\$50 million in cash subject to certain conditions precedent, including obtaining Shareholder approval as required under Listing Rule 11.2.

Shareholder approval was obtained on 28 August 2025 to sell the majority of the Group's assets to OSARTIS (Sale to OSARTIS) and it is anticipated that the date of completion of the transaction will be on or shortly after 15 September 2025. The Sale to OSARTIS will have no impact on the control of the Group's capital structure as the consideration is a cash only transaction.

*Review of results and operations*

The loss for the Group for the half-year to 30 June 2025 after providing for income tax amounted to \$4,687,975 (2024: \$5,842,532).

Revenue decreased by 7% for the period decreasing from \$11,238,817 in the prior corresponding period to \$10,491,366.

Gross profit for HY25 was \$8,724,887 compared to \$8,965,982 in the prior corresponding period. Gross margin as a percent of sales was 83% compared with 80% in the prior corresponding period.

Selling and distribution expenses were \$6,612,416, a decrease of \$2,089,008 compared with \$8,701,424 in the prior corresponding period. The decrease in spend in HY25 mainly relates to the restructure of the direct sales force team with a significant reduction in the number of employees.

Administration expenses were \$3,653,559, an increase of \$447,234 compared with \$3,206,325 in the prior corresponding period. The increase mainly relates to higher legal costs associated with the litigation cases.

Research and development expenses were \$2,806,253 a decrease of \$170,785 compared with \$2,977,038 in the prior corresponding period mainly related to lower costs associated with clinical studies.

Cash and cash equivalents at 30 June 2025 amounted to \$971,237 compared to \$1,673,917 at 31 December 2024.

*Inherent risks of Investments in Medical Device Companies*

There are many inherent risks associated with the development of medical devices to a marketable stage. The sale and distribution of some of Next Science's products is subject to obtaining and maintaining regulatory approvals, and other clearances from the relevant regulatory body in the jurisdiction, such as the Food and Drug Administration in the USA and the Therapeutic Goods Administration in Australia. Next Science's success depends on its ability to develop and market products that are recognised and accepted as reliable, efficacious and cost effective. Market acceptance depends on many factors including clinical evidence demonstrating the clinical and cost benefit outcome of the products. Clinical evidence may be conducted by third parties and as such the Company is partially reliant on the accuracy and efficacy of the reports produced by those third parties. There is no guarantee that adoption of the Company's existing products and future products will be sufficient to meet the Company's sales objectives.

Other risks include patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary regulatory authority approvals and difficulties caused by rapid advancements in technology.

**Dividends**

No dividends were paid or declared since the commencement of the half-year and the Directors do not recommend the declaration of a dividend.

**Matters subsequent to the end of the financial half-year**

As mentioned in the section above *Significant changes in the state of affairs* and note 14 of the financial statements, on 1 July 2025, the Group announced to the ASX that it had entered into a binding asset purchase agreement to sell substantially all of its assets to OSARTIS GmbH, a portfolio company of Demetra Holding S.p.A (OSARTIS) including all acquired regulatory approvals, contracts, intellectual property, inventory, records and goodwill (Acquired Assets), excluding the Durable Medical Equipment (DME) business. As consideration for the Acquired Assets and in addition to the assumption of the certain agreed liabilities, OSARTIS has agreed to pay a total purchase price of US\$50 million in cash subject to certain conditions precedent, including obtaining Shareholder approval as required under Listing Rule 11.2.

Shareholder approval was obtained on 28 August 2025 to sell the majority of the Group's assets to OSARTIS (Sale to OSARTIS) and it is anticipated that the date of completion of the transaction will be on or shortly after 15 September 2025. The Sale to OSARTIS will have no impact on the control of the Group's capital structure as the consideration is a cash only transaction.

On 14 July 2025 tranche 2 of the Sign-on Rights held by the Managing Director and CEO, I.V. Hall, vested and 465,131 ordinary shares were issued to I.V. Hall in equity settlement of tranche.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on Page 4.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Aileen Stockburger  
Chair

29 August 2025



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Next Science Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Next Science Limited for the interim period ended 30 June 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

A. Bird

Bird Adam

Partner

Sydney

29 August 2025

**Next Science Limited**  
**Condensed consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 30 June 2025**

*All amounts are in United States Dollars (\$)*

	<b>Note</b>	<b>30 June 2025</b>	<b>30 June 2024</b>
		<b>\$</b>	<b>\$</b>
Revenue	2	10,491,366	11,238,817
Cost of sales		(1,766,479)	(2,272,835)
<b>Gross profit</b>		<b>8,724,887</b>	<b>8,965,982</b>
Other income		22,865	55,801
Selling and distribution expenses		(6,612,416)	(8,701,424)
Research and development expenses		(2,806,253)	(2,977,038)
Administration expenses		(3,653,559)	(3,206,325)
Other expenses		(961)	-
<b>Operating loss</b>		<b>(4,325,437)</b>	<b>(5,863,004)</b>
Finance income		149,955	61,704
Finance cost		(512,493)	(41,232)
<b>Net finance (cost)/income</b>		<b>(362,538)</b>	<b>20,472</b>
<b>Loss before income tax expense</b>		<b>(4,687,975)</b>	<b>(5,842,532)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the half-year</b>		<b>(4,687,975)</b>	<b>(5,842,532)</b>
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation differences		(129,416)	(186,819)
Other comprehensive loss for the half-year, net of tax		(129,416)	(186,819)
<b>Total comprehensive loss for the half-year</b>		<b>(4,817,391)</b>	<b>(6,029,351)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Earnings per share for loss</b>			
Basic earnings per share	13	(1.60)	(2.00)
Diluted earnings per share	13	(1.60)	(2.00)

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**Next Science Limited**  
**Condensed consolidated statement of financial position**  
**As at 30 June 2025**

	<b>Note</b>	<b>30 June 2025 \$</b>	<b>31 December 2024 \$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	971,237	1,673,917
Trade and other receivables		4,531,372	3,335,463
Inventories		615,433	726,237
Other current assets - other	5	540,726	315,604
Total current assets		<u>6,658,768</u>	<u>6,051,221</u>
<b>Non-current assets</b>			
Trade and other receivables		36,656	36,656
Property, plant and equipment	6	427,985	519,350
Intangible assets	7	1,888,632	2,054,153
Right-of-use assets	8	449,103	552,741
Total non-current assets		<u>2,802,376</u>	<u>3,162,900</u>
<b>Total assets</b>		<u>9,461,144</u>	<u>9,214,121</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		4,167,977	2,659,320
Lease liabilities		266,515	222,314
Contract liabilities	9	274,902	274,902
Employee benefits		127,073	62,308
Total current liabilities		<u>4,836,467</u>	<u>3,218,844</u>
<b>Non-current liabilities</b>			
Contract liabilities	9	137,451	274,902
Loans and borrowings	10	4,732,784	1,806,000
Lease liabilities		302,444	464,850
Employee benefits		9,032	7,042
Total non-current liabilities		<u>5,181,711</u>	<u>2,552,794</u>
<b>Total liabilities</b>		<u>10,018,178</u>	<u>5,771,638</u>
<b>Net (liabilities)/assets</b>		<u>(557,034)</u>	<u>3,442,483</u>
<b>Equity</b>			
Issued capital	11	133,927,086	133,927,086
Reserves	12	(40,698,897)	(41,387,355)
Accumulated losses		<u>(93,785,223)</u>	<u>(89,097,248)</u>
<b>Total (deficiency)/equity</b>		<u>(557,034)</u>	<u>3,442,483</u>

*The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes*

**Next Science Limited**  
**Condensed consolidated statement of changes in equity**  
**30 June 2025**

	Share capital	Common control reserve	Foreign currency translation reserve	Share option reserve	Performance rights reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2025</b>	133,927,086	(42,596,715)	(1,441,998)	2,122,103	529,255	(89,097,248)	3,442,483
Loss for the half-year	-	-	-	-	-	(4,687,975)	(4,687,975)
<i>Other comprehensive loss</i>							
Foreign currency translation differences	-	-	(129,416)	-	-	-	(129,416)
Total other comprehensive loss	-	-	(129,416)	-	-	-	(129,416)
Total comprehensive loss for the half-year	-	-	(129,416)	-	-	(4,687,975)	(4,817,391)
<i>Transactions with owners in their capacity as owners</i>							
Share-based payments	-	-	-	457,161	-	-	457,161
Performance rights converted to shares on vesting	-	-	-	-	360,713	-	360,713
Total transactions with owners	-	-	-	457,161	360,713	-	817,874
<b>Balance at 30 June 2025</b>	133,927,086	(42,596,715)	(1,571,414)	2,579,264	889,968	(93,785,223)	(557,034)

*The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**Next Science Limited**  
**Condensed consolidated statement of changes in equity**  
**30 June 2025**

	Share capital	Common control reserve	Foreign currency translation reserve	Share option reserve	Performance rights reserve	Accumulated losses	Total deficiency
	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 January 2024</b>	133,823,509	(42,596,715)	(1,301,260)	1,310,970	95,782	(78,511,230)	12,821,056
Loss for the half-year	-	-	-	-	-	(5,842,532)	(5,842,532)
<i>Other comprehensive loss</i>							
Foreign currency translation differences	-	-	(186,819)	-	-	-	(186,819)
Total other comprehensive loss	-	-	(186,819)	-	-	-	(186,819)
Total comprehensive loss for the half-year	-	-	(186,819)	-	-	(5,842,532)	(6,029,351)
<i>Transactions with owners in their capacity as owners</i>							
Share-based payments	-	-	-	71,165	-	-	71,165
Performance rights converted to shares on vesting	-	-	-	-	202,780	-	202,780
Capital raising refund	2,594	-	-	-	-	-	2,594
Total transactions with owners	2,594	-	-	71,165	202,780	-	276,539
<b>Balance at 30 June 2024</b>	133,826,103	(42,596,715)	(1,488,079)	1,382,135	298,562	(84,353,762)	7,068,244

*The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**Next Science Limited**  
**Condensed consolidated statement of cash flows**  
**For the half-year ended 30 June 2025**

	Note	30 June 2025 \$	30 June 2024 \$
<b>Operating activities</b>			
Receipts from customers		9,309,286	11,432,343
Payments to suppliers and employees		(11,825,505)	(15,927,186)
Payments for research and development		(272,527)	(582,617)
Other income received		4,505	7,840
Interest received		1,201	32,292
		<u>          </u>	<u>          </u>
Net cash used in operating activities		(2,783,040)	(5,037,328)
<b>Investing activities</b>			
Payments for property, plant and equipment	6	-	(11,645)
Payments for intangible assets	7	(303,107)	(317,106)
		<u>          </u>	<u>          </u>
Net cash used in investing activities		(303,107)	(328,751)
<b>Financing activities</b>			
Proceeds from borrowings		2,500,000	-
Payment of lease liabilities		(132,550)	(119,954)
		<u>          </u>	<u>          </u>
Net cash from/(used in) financing activities		2,367,450	(119,954)
		<u>          </u>	<u>          </u>
Net decrease in cash and cash equivalents		(718,697)	(5,486,033)
Cash and cash equivalents at the beginning of the financial half-year		1,673,917	9,238,697
Effects of exchange rate changes on cash and cash equivalents		16,017	(180,865)
		<u>          </u>	<u>          </u>
<b>Cash and cash equivalents at the end of the financial half-year</b>		<u><u>971,237</u></u>	<u><u>3,571,799</u></u>

*The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes*

**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 1. Basis of Preparation**

These interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001* and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2024 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with Australian Accounting Standards (AASBs). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The interim financial statements have been prepared on the basis of historical cost with cost based on the fair values of consideration given in exchange for assets. All amounts are presented in United States Dollars unless otherwise stated.

The principal accounting policies adopted are consistent with those of the consolidated financial statements as at and for the year ended 31 December 2024, unless otherwise stated.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. The impact of standards on issue but not yet effective are not expected to be material.

The interim financial statements are presented in United States Dollars, which is the Group's presentation currency. Entities within the Group have functional currencies of AUD or USD as appropriate to the individual entity.

The financial statements were approved by the Board of Directors and authorised for issue on 29 August 2025.

***Going concern***

For the half-year ended 30 June 2025, the Group incurred a net loss of \$4,687,975 and had net cash outflows from operations of \$2,783,040. As at 30 June 2025, the Group had net current assets of \$1,822,301 and a net liability position of \$557,034.

The financial statements have been prepared on a going concern basis, which assumes the cash proceeds of US\$50 million from the Sale to OSARTIS GmbH, a portfolio company of Demetra Holding S.p.A is received on or shortly after 15 September 2025 (refer to note 14) which is expected given Shareholder approval was received at the Extraordinary General Meeting held on 28 August 2025, with subsequent continuity of the remaining business activities and the realisation of assets and settlement of liabilities in the ordinary course of business for a period of at least twelve months from the date this financial report is approved.

**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 2. Revenue**

	<b>Half-year ended</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>\$</b>	<b>\$</b>
Revenue from contracts with customers	<u>10,491,366</u>	<u>11,238,817</u>

**Note 3. Operating segments**

*Identification of reportable operating segments*

The Group operates in one segment, based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. The one operational segment operates over two geographical segments, North America and Australia and New Zealand.

	<b>North America \$</b>	<b>Australia and New Zealand \$</b>	<b>Total \$</b>
<b>Half-year ended 30 June 2025</b>			
Revenue from contracts with customers	7,611,706	2,879,660	10,491,366
Segment assets	5,100,599	4,360,545	9,461,144
Segment liabilities	4,088,481	5,929,697	10,018,178
Segment loss	(2,160,321)	(2,527,654)	(4,687,975)
<b>Half-year ended 30 June 2024</b>			
Revenue from contracts with customers	10,859,499	379,318	11,238,817
Segment assets	6,525,081	5,300,109	11,825,190
Segment liabilities	3,518,325	1,238,621	4,756,946
Segment loss	(3,272,800)	(2,569,732)	(5,842,532)

**Note 4. Cash and cash equivalents**

	<b>As at 30 June 2025 \$</b>	<b>As at 31 December 2024 \$</b>
<i>Current assets</i>		
Cash at bank	<u>971,237</u>	<u>1,673,917</u>

**Note 5. Other current assets - other**

	<b>As at 30 June 2025 \$</b>	<b>As at 31 December 2024 \$</b>
<i>Current assets</i>		
Prepayments and other assets	<u>540,726</u>	<u>315,604</u>

**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 6. Property, plant and equipment**

	<b>As at 30 June 2025 \$</b>	<b>As at 31 December 2024 \$</b>
<i>Non-current assets</i>		
Leasehold improvements - at cost	385,179	385,179
Less: Accumulated amortisation	<u>(193,764)</u>	<u>(167,063)</u>
	191,415	218,116
 Plant and equipment - at cost	 1,327,835	 1,330,620
Less: Accumulated depreciation	<u>(1,168,768)</u>	<u>(1,125,007)</u>
	159,067	205,613
 Fixtures and fittings - at cost	 394,580	 394,580
Less: Accumulated depreciation	<u>(317,077)</u>	<u>(298,959)</u>
	77,503	95,621
	<u><u>427,985</u></u>	<u><u>519,350</u></u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	<b>Leasehold improvements \$</b>	<b>Plant and equipment \$</b>	<b>Furniture and fittings \$</b>	<b>Total \$</b>
Balance at 1 January 2025	218,116	205,613	95,621	519,350
Additions	-	-	-	-
Disposals	-	(961)	-	(961)
Depreciation expense	<u>(26,701)</u>	<u>(45,585)</u>	<u>(18,118)</u>	<u>(90,404)</u>
Closing value at 30 June 2025	<u><u>191,415</u></u>	<u><u>159,067</u></u>	<u><u>77,503</u></u>	<u><u>427,985</u></u>
 Balance at 1 January 2024	 271,518	 309,269	 132,724	 713,511
Additions	-	40,710	5,610	46,320
Disposals	-	(8,516)	-	(8,516)
Depreciation expense	<u>(53,402)</u>	<u>(135,850)</u>	<u>(42,713)</u>	<u>(231,965)</u>
Closing value at 31 December 2024	<u><u>218,116</u></u>	<u><u>205,613</u></u>	<u><u>95,621</u></u>	<u><u>519,350</u></u>

**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 7. Intangible assets**

	As at 30 June 2025 \$	As at 31 December 2024 \$
<i>Non-current assets</i>		
Patents and trademarks - at cost	2,002,058	1,919,970
Less: Accumulated amortisation	<u>(1,232,687)</u>	<u>(1,091,815)</u>
	769,371	828,155
Capitalised development - at cost	3,018,168	2,797,150
Less: Accumulated amortisation and impairment	<u>(1,898,907)</u>	<u>(1,571,152)</u>
	1,119,261	1,225,998
	<u>1,888,632</u>	<u>2,054,153</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	<b>Patents and trademarks \$</b>	<b>Capitalised development \$</b>	<b>Total \$</b>
Balance at 1 January 2025	828,155	1,225,998	2,054,153
Additions	82,088	221,019	303,107
Amortisation expense	<u>(140,872)</u>	<u>(327,756)</u>	<u>(468,628)</u>
Closing value at 30 June 2025	<u>769,371</u>	<u>1,119,261</u>	<u>1,888,632</u>
Balance at 1 January 2024	963,252	1,423,798	2,387,050
Additions	112,315	430,583	542,898
Impairment of assets	-	(83,233)	(83,233)
Amortisation expense	<u>(247,412)</u>	<u>(545,150)</u>	<u>(792,562)</u>
Closing value at 31 December 2024	<u>828,155</u>	<u>1,225,998</u>	<u>2,054,153</u>

**Note 8. Right-of-use assets**

	As at 30 June 2025 \$	As at 31 December 2024 \$
<i>Non-current assets</i>		
Property - right-of-use	1,681,118	1,681,118
Less: Accumulated depreciation	<u>(1,232,015)</u>	<u>(1,128,377)</u>
	<u>449,103</u>	<u>552,741</u>



**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 8. Right-of-use assets (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	<b>Property \$</b>
Balance at 1 January 2025	552,741
Depreciation expense	(103,638)
Closing value at 30 June 2025	<u>449,103</u>

**Note 9. Contract liabilities**

*Contract liabilities arising from contracts with customers*

	<b>As at 30 June 2025 \$</b>	<b>As at 31 December 2024 \$</b>
<i>Current liabilities</i>		
Contract liabilities	<u>274,902</u>	<u>274,902</u>
<i>Non-current liabilities</i>		
Contract liabilities	<u>137,451</u>	<u>274,902</u>

**Note 10. Loans and borrowings**

	<b>Consolidated As at June 30 2025 \$</b>	<b>As at 31 December 2024 \$</b>
<i>Non-current liabilities</i>		
Loan facility (i)	<u>4,732,784</u>	<u>1,806,000</u>

**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 10. Loans and borrowings (continued)**

	As at 30 June 2025 \$	As at 31 December 2024 \$
<b>Movements:</b>		
Balance at the beginning of period	1,806,000	-
Proceeds from facility (i)	2,500,000	2,000,000
	<u>4,306,000</u>	<u>2,000,000</u>
<b>Less:</b>		
Fair value of options (ii)	-	(393,899)
Net amount	<u>4,306,000</u>	<u>1,606,101</u>
<b>Add:</b>		
Interest	319,057	116,985
Amortisation of options	107,727	82,914
	<u>426,784</u>	<u>199,899</u>
Carrying amount of liability at the end of period	<u><u>4,732,784</u></u>	<u><u>1,806,000</u></u>

(i) On 17 July 2024, the Group announced that it had entered into a facility agreement with TIGA Trading Pty Ltd (a company associated with Thorney Investment Group) (Thorney) to provide a US\$5 million unsecured loan facility with a maturity date of 17 July 2026 (Facility). Interest is payable at 12% per annum on amounts drawn under the Facility and accrued interest is payable on the earlier of the Facility termination date and the date the principal outstanding is repaid in full. The total amount drawn down on the Facility as at 30 June 2025 amounted to US\$4.5 million. In conjunction with the execution of the Facility Agreement, the parties signed an option deed under which Next Science agreed to issue to Thorney 5 million unquoted options over ordinary shares in the Company at an exercise price of A\$0.42 and with a three-year expiry. The 5 million options were issued on 17 July 2024.

(ii) The conversion options may be exercised by Thorney at any time until maturity. When the conversion option is exercised, the outstanding principal of the notes are converted into ordinary shares of the Group; any accrued but unpaid interest as at the exercise date is required to be paid in cash. Otherwise, the total principal and accrued interest outstanding is repayable in cash at maturity.

**Note 11. Issued capital**

	<b>Fully paid</b>
<b>In number of shares</b>	
Balance as at 1 July 2024	291,695,103
Shares issued to CEO and Managing Director (i)	465,131
<b>Balance as at 31 December 2024</b>	<u>292,160,234</u>
	-
<b>Balance as at 30 June 2025</b>	<u><u>292,160,234</u></u>

**Next Science Limited**  
**Notes to the condensed consolidated financial statements**  
**30 June 2025**

**Note 11. Issued capital (continued)**

	<b>Fully paid \$</b>
Balance at 1 July 2024	133,826,103
Shares issued to CEO and Managing Director (i)	100,983
<b>Balance at 31 December 2024</b>	<u>133,927,086</u>
	-
<b>Balance at 30 June 2025</b>	<u><u>133,927,086</u></u>

- (i) On 26 July 2024 tranche 1 of the Sign-on Rights held by the Managing Director and CEO, I.V. Hall, vested and 465,131 ordinary shares were issued to I.V. Hall in equity settlement of tranche 1.

**Note 12. Reserves**

	<b>As at 30 June 2025 \$</b>	<b>As at 31 December 2024 \$</b>
Common control reserve	(42,596,715)	(42,596,715)
Foreign currency translation reserve	(1,571,414)	(1,441,998)
Share option reserve	2,579,264	2,122,103
Performance rights reserve	889,968	529,255
	<u>(40,698,897)</u>	<u>(41,387,355)</u>

*Foreign currency translation reserve*

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the Group's presentation currency.

*Common control reserve*

The acquisition of the share capital of Microbial Defense Systems Holdings Inc ("MDS") by the Company on 22 December 2017 was accounted for as a common control transaction. As a consequence, the difference between the fair value of the consideration paid (\$43,862,500) and the existing book values of assets and liabilities of MDS (\$1,265,785) was debited to a common control reserve, directly within equity.

*Share option reserve*

The share option reserve comprises the value of the share-based payment arrangements recognised in equity.

The fair value of the share options issued during the period has been measured using the Monte Carlo simulation where the vesting conditions were related to service and market performance conditions attached to the arrangements.

The fair value of the share options has been measured using the Black-Scholes formula where the vesting conditions were service and non-market performance conditions attached to the arrangements.

**Note 13. Earnings per share**

	<b>Half-year ended 30 June 2025 \$</b>	<b>30 June 2024 \$</b>
Loss after income tax	<u>(4,687,975)</u>	<u>(5,842,532)</u>

**Note 13. Earnings per share (continued)**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	292,160,234	291,695,103
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>292,160,234</u>	<u>291,695,103</u>
	Cents	Cents
Basic earnings per share	(1.60)	(2.00)
Diluted earnings per share	(1.60)	(2.00)

**Note 14. Events after the reporting period**

On 1 July 2025, the Group announced to the ASX that it had entered into a binding asset purchase agreement to sell substantially all of its assets OSARTIS GmbH, a portfolio company of Demetra Holding S.p.A (OSARTIS) including all acquired regulatory approvals, contracts, intellectual property, inventory, records and goodwill (Acquired Assets), excluding the Durable Medical Equipment (DME) business. As consideration for the Acquired Assets and in addition to the assumption of the certain agreed liabilities, OSARTIS has agreed to pay a total purchase price of US\$50 million in cash subject to certain conditions precedent, including obtaining Shareholder approval as required under Listing Rule 11.2.

Shareholder approval was obtained on 28 August 2025 to sell the majority of the Group's assets to OSARTIS (Sale to OSARTIS) and it is anticipated that the date of completion of the transaction will be on or shortly after 15 September 2025. The Sale to OSARTIS will have no impact on the control of the Group's capital structure as the consideration is a cash only transaction.

On 14 July 2025 tranche 2 of the Sign-on Rights held by the Managing Director and CEO, I.V. Hall, vested and 465,131 ordinary shares were issued to I.V. Hall in equity settlement of tranche.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Next Science Limited**  
**Directors' declaration**  
**30 June 2025**

In the opinion of the Directors of Next Science Limited (the "Company"):

1. the condensed consolidated financial statements and notes that are set out on pages 5-17, are in accordance with the *Corporations Act 2001*, including:
  - a. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the six month period ended on that date; and
  - b. complying with Australian Accounting Standards "AASB 134 *Interim Financial Reporting*" and the *Corporations Regulations 2001*; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



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Aileen Stockburger  
Chair

29 August 2025



# Independent Auditor's Review Report

To the shareholders of Next Science Limited

## Conclusion

We have reviewed the accompanying **Interim Financial Report** of Next Science Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Next Science Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 June 2025 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 June 2025
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Interim Period ended on that date
- Notes 1 to 14 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises Next Science Limited (the Company) and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



### Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2025 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

KPMG

Adam Bird

*Partner*

Sydney

29 August 2025