

NEXT SCIENCE TO SELL MAJORITY OF ASSETS

Highlights:

- **Next Science Limited** (ASX:NXS) ("**Next Science**" or the "**Company**") has entered into a binding asset purchase agreement ("**APA**") with Demetra Holdings S.p.A. ("**Demetra**") to sell substantially all of the assets of Next Science and its wholly-owned subsidiaries ("**NXS Group**") for a total sale price of US\$50m and the assumption of certain agreed liabilities, subject to certain customary conditions precedent, including shareholder approval under Listing Rule 11.2 ("**Proposed Transaction**"). The Proposed Transaction will complete upon the satisfaction of all conditions precedent in the APA.

Subject to review at completion of the Proposed Transaction and subject to receipt of tax advice, Next Science intends to return the net proceeds to shareholders. After repayment of debt, transaction costs, potential tax liabilities and winding down costs, the estimated net proceeds of the Proposed Transaction to be distributed to Next Science shareholders are expected to be in the order of US\$30m. The amount of US\$30m is a preliminary and indicative estimate only and Next Science will update the market if there is a material change to that estimate. More details of the expected net proceeds available for distribution to Next Science shareholders will be provided in the Notice of EGM (see below).

The Proposed Transaction

The Proposed Transaction includes the sale of the Company's regulatory approvals, contracts, intellectual property, inventory, records and goodwill of the NXS Group but excludes assets related to the DME business.

Further details of the APA are contained in Appendix 1.

As the Proposed Transaction constitutes the sale of Next Science's main undertaking, it is subject to Next Science obtaining shareholder approval under Listing Rule 11.2. Next Science is preparing a notice of extraordinary general meeting ("**EGM**") with further details about the Proposed Transaction and the detailed Board recommendations. Next Science has engaged Nexia Australia (the "**Independent Expert**") to prepare an independent expert's report ("**IER**") commenting on the fairness and reasonableness of the Proposed Transaction, which will accompany the notice of EGM.

Following the return of net proceeds to shareholders, Next Science will assess its options as a going concern.

Managing Director and CEO, Harry Hall IV, commented:

"The Board and management believe this proposed transaction is a compelling milestone for current and future customers and shareholders. Through Demetra's greater commercial breadth, financial resources, and focus on advancing the science of surgical infection prevention, Next Science's innovations will be better positioned to realize their full potential in improving patient care globally."

The Next Science directors unanimously recommend shareholders vote in favour of the Proposed Transaction in the absence of a superior proposal and intend to vote any shares they own or control in favour of the Proposed Transaction. Next Science, together with its financial advisor, ran a competitive and robust sale process over several months. The Board believes the Proposed Transaction represents significant value recognition for shareholders, as the total sale price represents a substantial premium to Next Science's current market capitalisation.

Timetable

An indicative timetable, which is subject to change, is set out below.

For personal use only

NEXT SCIENCE®

Event	Indicative Date
Notice of EGM (setting out board recommendations) and IER despatched to shareholders	Monday, 14 July 2025
EGM to approve the Proposed Transaction	10:00am AEST on Thursday, 14 August 2025
Completion of the Proposed Transaction	Monday, 15 September 2025

Advisors

Piper Sandler & Co. is serving as financial advisor. Latham & Watkins LLP and HWL Ebsworth Lawyers are serving as US and Australian legal advisors, respectively, to Next Science in connection with the Proposed Transaction. Baker Donelson is serving as legal advisor to Demetra.

Approved and authorised for release by the Board.

Media & Investor Enquiries

Francoise Dixon
Phone: +61 412 292 977
Email: fdixon@nextscience.com

About Next Science

Next Science is a medical technology company headquartered in Sydney, Australia, with a research and development centre in Jacksonville, Florida, USA. Established in 2012, the company's primary focus is on the development and commercialisation of its proprietary X BIO™ technology designed to reduce the impact of infections in human health. For further information visit: www.nextscience.com

About Demetra Holding S.p.A.

Demetra is one of the leading suppliers of bone cement, a product used for the fixation of orthopaedic implants and for the filling of vertebral compression fractures. Demetra has also pioneered the preformed spacer technology: these medical devices are ready-to-use, antibiotic loaded temporary implants used to treat local infections that can occur to patients who have had implant surgery. Demetra's preformed spacers are the industry standard and allow to better treat infections, to reduce surgery time and to improve patient mobility compared to previous generation products.

Forward looking statements

This announcement may contain forward looking statements 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, 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.

Appendix 1 - Summary of APA

1	Conditions Precedent	<p>The Proposed Transaction is conditioned on, among other things, the satisfaction or waiver of the following key conditions precedent:</p> <ul style="list-style-type: none"> • Receipt of any consent from governmental entities necessary to complete the Proposed Transaction; • no law being enacted which has the effect of making the Proposed Transaction illegal; • Next Science obtaining approval from Shareholders for the Proposed Transaction for the purposes of ASX Listing Rule 11.2; • the representations and warranties made by Next Science must be true and correct as of completion (except as would not reasonably be expected to have, either individually or in aggregate, a material adverse effect); • the representations and warranties made by Demetra must be true and correct as of completion (except as would not reasonably be expected to, either individually or in aggregate, prevent or materially delay the ability of Demetra and its affiliates to complete the transactions); • Next Science and Demetra must have complied with all covenants and agreements contained in the APA; and • each party must deliver all completion deliverables required by such party to the other party.
2	Termination	<p>The APA contains various agreed termination rights and may be terminated prior to completion:</p> <ul style="list-style-type: none"> • by mutual written consent of the parties; • by either party if the Proposed Transaction is not completed within three months of the date of the APA (the "Termination Date"), unless that party's breach or failure to comply with its representations, warranties or covenants caused the delay; • by either party, if any government entity of competent jurisdiction issues a final, non-appealable order permanently blocking the Proposed Transaction; however, the right to terminate for such reason is not available to any party whose failure to perform its obligations under the APA caused or resulted in the order or the failure of such order to be resisted, resolved or lifted; • by either party, if the other party breaches or fails to materially perform any of its representations, warranties, covenants or agreements under the APA and (1) such breach or failure results in a failure of a condition precedent, (2) such party did not cure such breach or failure by the earlier of the Termination Date and the date that is 30 days after receipt of written notice from the other party stating its intention to terminate the APA as a result of such breach or failure, or (3) such breach or failure is incapable of being cured; • by Demetra, if Next Science's board changes its recommendation to approve the Proposed Transaction before shareholder approval is obtained; • by Next Science, if before completion of the Proposed Transaction, a majority of Next Science's board publicly recommends a superior acquisition proposal (see item 3), so long as such proposal was not solicited in breach of Next Science's obligations under the APA; • by Next Science, if the Independent Expert concludes that the Proposed Transaction is not fair and reasonable to, or is not in the best interests of, Next Science's Shareholders; or • by Next Science in order to accept and proceed with a superior acquisition proposal (see item 3), assuming Next Science otherwise materially complied with its covenants and agreements under the APA.
3	Fiduciary out	<p>The APA includes a fiduciary out provision that allows Next Science's board to consider unsolicited bona fide, written, acquisition proposals in order to uphold its fiduciary duties to its shareholders. Next Science may terminate the APA and pursue an alternative acquisition proposal, and the Next Science board may change its recommendation that shareholders approve the Proposed Transaction if, among other conditions, (1) shareholder approval of the Proposed Transaction has not yet been obtained, (2) the board determines in good faith that such acquisition proposal is a superior proposal than the Proposed Transaction because it would result in a transaction more favorable to Next Science's shareholders from a financial point of view and (3) Demetra must be given the opportunity to revise its offer.</p>
4	Termination fee	<p>If Next Science terminates the APA, Next Science must pay Demetra a non-refundable termination fee in an amount of US \$2 million.</p>
5	No shop, no talk	<p>Next Science is subject to <i>no shop</i> and <i>no talk</i> obligations in relation to the Proposed Transaction, subject to customary carve outs and exceptions.</p>
6	Completion	<p>Completion will take place on the second business day following the date that the last of the conditions precedent have been satisfied or waived (other than such conditions precedent that, by their nature, are satisfied by actions taken at completion, but subject to satisfaction or waiver of such conditions precedent), or such other time as Next Science and Demetra mutually agree in writing.</p>

NEXT SCIENCE®

7	Representations and Warranties	Next Science provides customary representations and warranties regarding the assets and the business, which do not survive completion of the Proposed Transaction and are subject to customary qualifications, acknowledgements and limitations. Next Science will have no post-completion liability with respect to breaches of its representations and warranties.
---	---------------------------------------	--

For personal use only