



NEXGEL

advanced hydrogel solutions

Investor Presentation

October 2021

CONFIDENTIAL (NDA Only)

Forward-Looking Statement

This presentation contains certain forward-looking statements, including those relating to the Company's product development, market opportunity, competitive position, possible or assumed future results of operations, business strategies, potential growth opportunities and other statements that are predictive in nature.

Additional written and oral forward-looking statements may be made by the Company from time to time in filings with the Securities and Exchange Commission (SEC) or otherwise.

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These statements relate to future events or our financial performance and involve known and unknown risks, uncertainties, and other factors which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include those set forth in the Company's filings with the SEC.

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Who We Are



At NEXGEL, Inc. We apply our proprietary hydrogel technology to manufacture unique products to address the issues patients with fragile/sensitive skin cope with on a daily basis.

We are creating next generation products, and life cycle extensions for existing products, that change and enhance the patient experience for the better.

Competitive Advantage: State-of-the-art Manufacturing Facility

Medical grade technology and facility, providing gels to multi-national device companies for over 20 years with sufficient capacity to fulfill consumer and healthcare segments

1 of 2 manufacturing facilities
in North America that can
produce State-of-the-art
hydrogel transdermal
products
– **successfully used 200+
different** active ingredient
combinations to date

16,500-square-ft GMP
One of two
manufacturing facilities in
North America

**13,500-square-ft
Manufacturing Space** 3,000-
square-ft Office Space

>1.4 Billion Square inches
of product per year is total
capacity

Sufficient capacity across
healthcare and consumer
divisions - Currently
operating at **<5% capacity**

\$650,000

Just completed
accelerator upgrade
allows for better
documentation and
precision.

High barrier to entry
for new facilities
(2+yrs to go live)

Stringent
compliance
requirements

Technical expertise
needed to operate



What Makes NEXGEL's Hydrogels Unique?

Unlike many other patches on the market today, our hydrogels are always uniform, possess a high-water content, and therefore do not harmfully bond to the skin or produce strong odors

MIXING

- Feed mixes feature far greater homogeneity than the competition
- This manufacturing advantage is critical, especially as it relates to dosages of active ingredients
- Proprietary mixing technology allows for the incorporation of sensitive materials that may degrade if subjected to other types of mixing

FLEXIBILITY

- Proprietary coating technology enables us to properly coat the gels even while the gels are incredibly thick and resistant to flow
- We have achieved coating tolerances that have allowed us to coat materials as thin as 0.010 of an inch with a margin for error of typically less than 5%
- Thickness controls are critical to the performance of many of the end products utilizing our hydrogels, including medical electrodes, transdermal delivery patches, and cosmetic patches

CROSS-LINKING

- We cross-link our hydrogels using an electron beam accelerator
- Such linking is achieved by introducing a high energy field, created by accelerated electrons, which causes the release of hydrogen atoms and causes carbon molecule covalent bonding
- The creation of longer chains of the polymer in the gel increases its molecular integrity, giving the gel characteristics that make it useful in a variety of products

Benefits of NEXGEL's Unique Hydrogel Enhancements

NEXGEL's hydrogels focus on skin integrity in consumer health & beauty and medical device applications

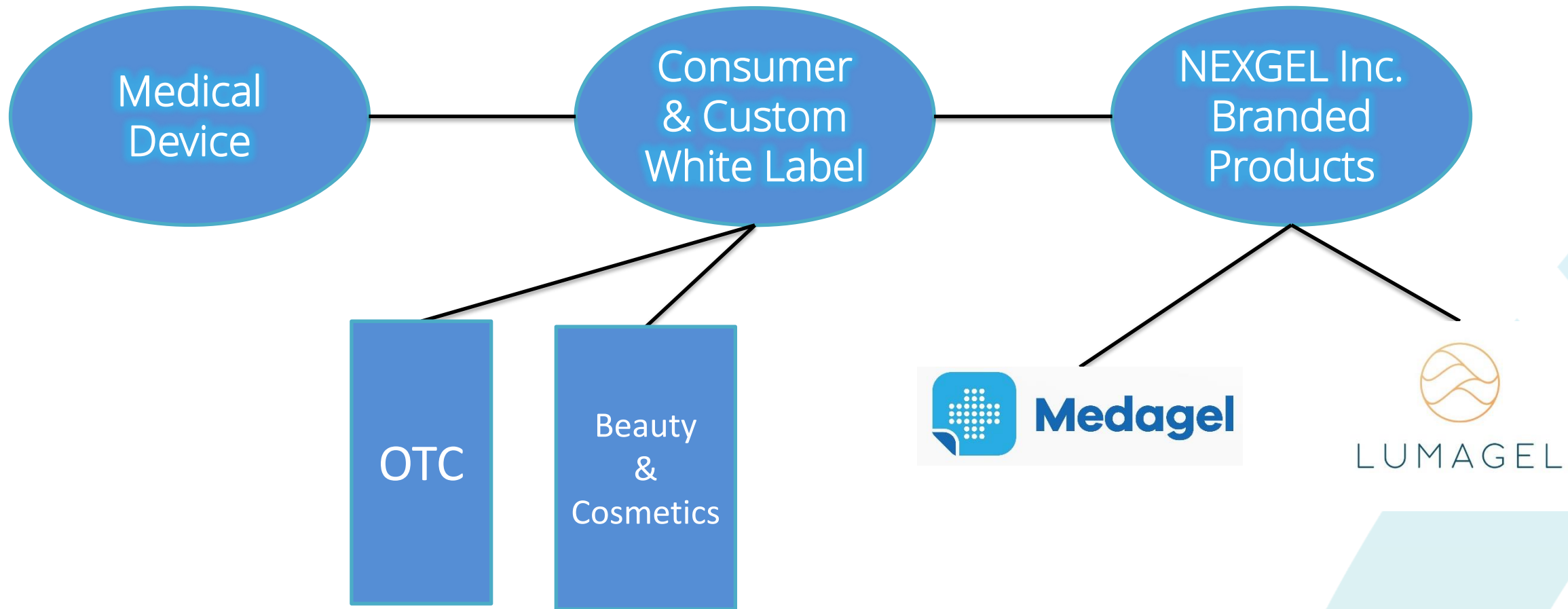
- Electron beam technology eliminates the need for harmful chemicals in cross-linking, which, along with our paraben-free formulation, makes our patches the only option for many medical device applications
- Gentle formulation & strong adhesion properties eliminates many problems with existing transdermal devices & dermal interfaces such as:

- Deterioration of skin integrity
- Skin allergies
- Skin irritation
- Discomfort

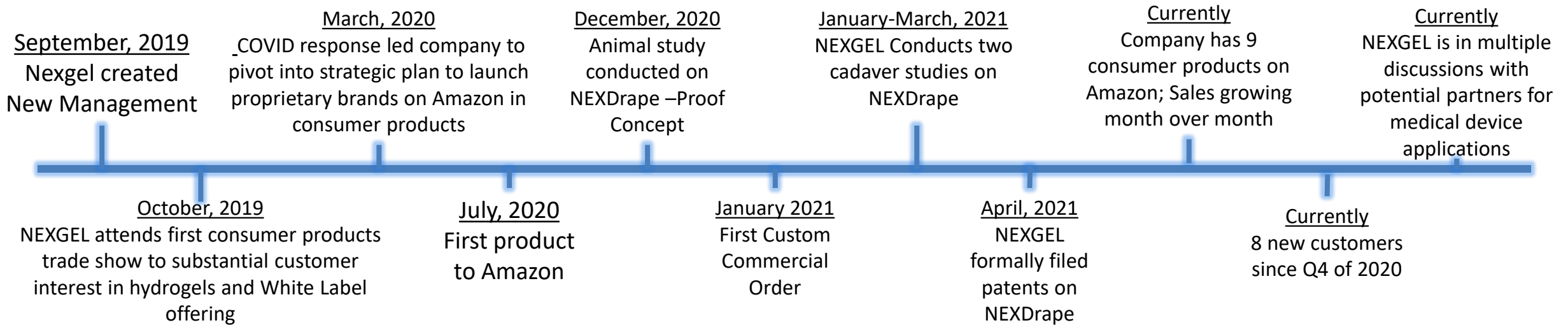
- Skin tears
- Removal of dermis
- Pain

All of these contribute to increased risk of infection and overall patient dissatisfaction

Verticals for Growth



Accomplishments To Date



Multiple Medical Device Opportunities

Addressing the importance of skin integrity and overall skincare with a medical device

Medical Device Division- NEXDrape

NEXDrape - A “skin friendly” solution for the surgical drape 510(k) market

- The surgical incise drape market is large and growing.
 - Current landscape is fragmented
 - 3M Healthcare is the leading player
 - Gross sales of surgical drapes are expected to continue to increase for the next five years¹
- NEXGEL has filed worldwide patents for Nexdrape based on two human cadaver proof of concept studies
- NEXGEL is currently in early-stage discussions with multiple companies to discuss codeveloping and/or marketing NEXDrape.

1. The global average gross margin of surgical drapes is in the decreasing trend, from 28.37% in 2011 to 31.14% in 2015. With the situation of the global economy, gross margin is expected to have an increasing trend





The dermis remained intact after removal- decreasing the risk of infection and discomfort for the patient

Leading Brand



Pieces of dermis removed- increasing the risk of infection and discomfort for the patient

Innovating and Disrupting the Existing Surgical Drape Industry

Attributes	NEXDrape	Leading Brand
Consistent Adhesion and Uniformly Sticks	✓	✓
No Skin Irritation	✓	✗
Deliver wide range of antiseptic/antibiotic agents	✓	✗
Eliminates Air Bubbles	✓	✗
Prevents Dermis Removal Post-Surgery	✓	✗
Suitable for Sensitive Skin	✓	✗

- **NEXDrape** provides consistent adhesion without drying out the skin during surgery
- **NEXDrape's** gentle formulation offers a safer alternative, providing:
 - Greater skin integrity
 - More comfortable removal post-surgery
 - Decreased skin irritation for patients
- Plan to license to leading industry players upon FDA approval



NexDerm for central lines and IVs

- Tegaderm is very difficult and painful to remove, especially for compromised skin patients
- NexDerm will have anti-microbial properties
- Advantages of NexDerm include:
 - Repositionable
 - Pain-Free removal
 - Gentle to the skin
 - Helps prevent infection

Potential Future Applications in the Medical Device Space

- Negative Pressure
- Colostomy bags
- Skin scaffolds

Licensing Model Across Multiple Medical Device Applications

- NEXGEL platform is uniquely suited to create several new devices to address dermal risk factors of current technology
- Currently have proof of concept for one 510(k) device, NEXDrape, with a large pipeline of other products, all of which have relatively simple predicate devices and regulatory pathways
- Numerous potential entry points for strategic partners
- NEXGEL is identifying patient pain points, creating solutions, and developing a clinical pathway to market or partnerships.

Consumer Health & Beauty

Bringing proven medical-grade technology to OTC and B&C for the first time through many new consumer products & applications.

Multiple Low-Risk Revenue Paths for Consumer Segment



NOW PARABEN-FREE

Research
Development /
Custom Label

White
Label

DTC /
E-Commerce
Proprietary
Brands

Custom & White Label Strategy

NEXGEL leverages platform to supply OTC brands with unique, gentle hydrogel-based products

- All UV cured hydrogel patches contain AMP-acrylates/vinyl Isodecanoate crosspolymer, Toluene, and Vinyl acetate, or similar chemicals, which are non-starters for the Beauty & Cosmetics industry, as are parabens which we have removed
- Industry partners pay a development fee to create custom products. Nexgel has no financial risk in the product's success or failure
- White label projects increase awareness that Nexgel is a consumer-friendly and reliable supplier of customizable patches

Rapid growth since launch in Q4-2020

- Newly created and proprietary branded gels (Arctic⁵/Arctic¹⁰, Synapse, and Mother Earth) address various large markets:
 - Pharmaceutical Drug Delivery
 - Pain Management
 - Beauty & Cosmetics
 - Sports & Sports Related Applications
 - Cannabinoids (CBD/THC)
 - General Podiatry
- Strong interest in our custom and white label solutions. New customers include.
 - Boiron
 - Bouquet
 - The Good Patch
 - Neptune Wellness
 - Aggressive Skincare
 - Bravo Sierra
 - Etain
 - Estyle
 - Ryah Group



Direct to Consumer Retail and E-Commerce Strategy

Proprietary brands have been growing rapidly since launch in mid 2020

- 2 proprietary brands Medagel & Lumagel Beauty address various markets: OTC Drug Delivery, Pain Management, Beauty & Cosmetics, Sports & Sports Related Applications, Cannabinoids (CBD) & General Podiatry



Medagel
(8 SKUs selling online)

- Partnership with MPG for retail distribution- OTC and consumer wellness products
 - MPG is a unique collection of experienced industry professionals with diverse backgrounds in sales, marketing, general management, and retail operations that supports distribution

E-commerce strategy:

Create small batches of products and test online (Amazon) with targeted marketing and low initial investment

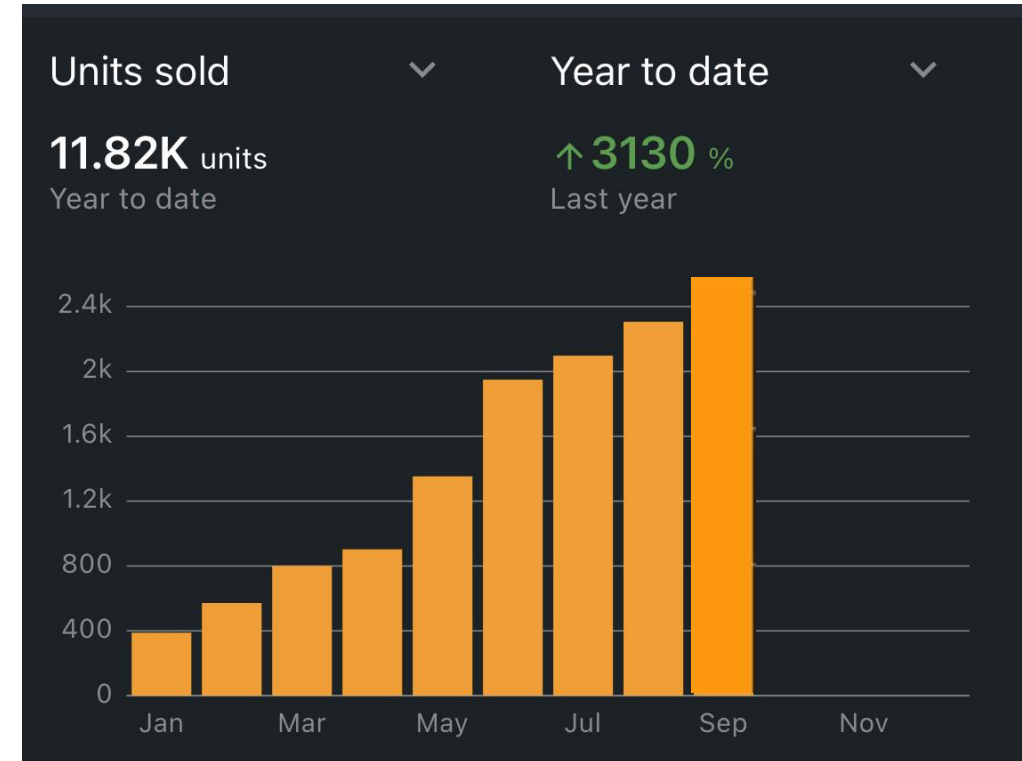
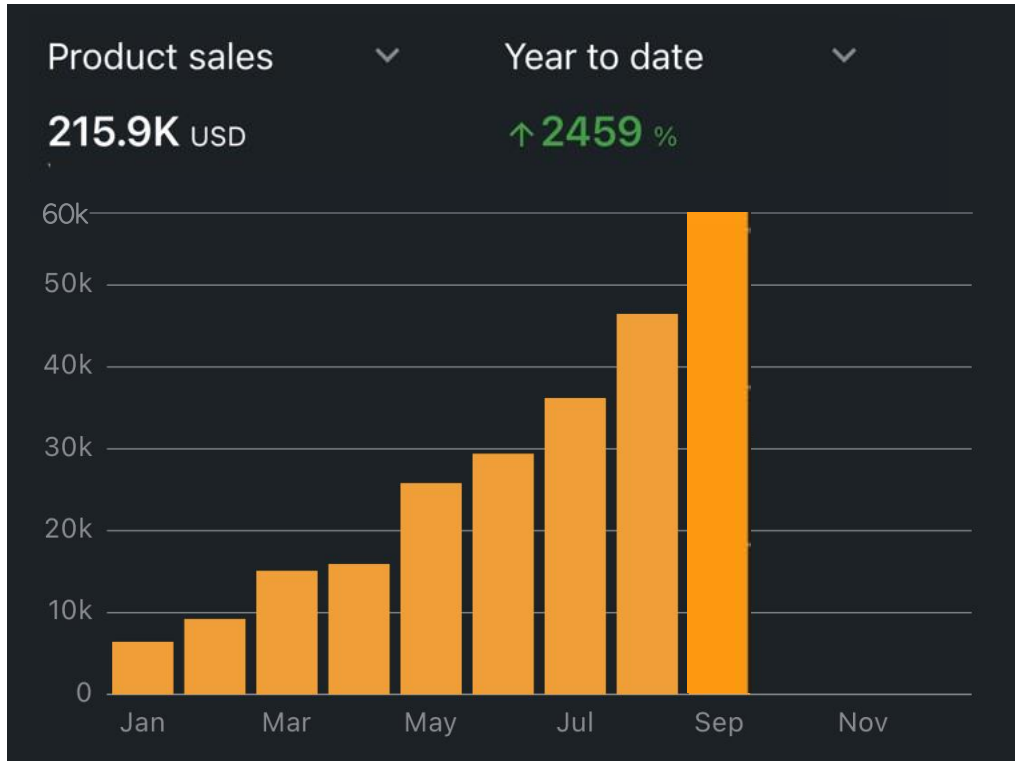
Retail Partnership:



MPG manages \$3B worth of Amazon sales, \$5B from retail products

Multiple strategic introductions
Product branding expertise

Direct to Consumer Retail and E-commerce Growth



SilverSeal® Anti-Microbial Data

NEXGEL, Inc. just completed the validation of the anti-microbial properties of the SilverSeal® product line. The X-Static Silver impregnated, hydrogel-based product was found to be up to 99% effective in reducing common bacteria, fungus, and yeasts that can be evident in wounds after superficial skin injury.

“These anti-microbial properties, in particular the reduction of pathogens such as Methicillin Resistant Staph Aureus and Streptococcal variants; as well as the hydrating and soothing nature of hydrogel, are the very reason that our team uses this product as part of our treatment for superficial injuries to the skin. Both athletes and the general public have benefited from Silverseal when suffering from superficial abrasion to the skin, such as turf burn and road rash” -*Dr. Stephen Brigido; Renowned Foot and Ankle Surgeon*

SilverSeal® Opportunity

*40 patient double-blinded study data will allow NEXGEL to make a scar reduction claim
Data has been submitted for peer review and publication*

- SilverSeal® currently being sold for OTC wound care online- sales growing
- Supporting clinical data will allow us to make the claim that SilverSeal® reduces scarring
- The scar treatment market is expected to grow to \$45.0 billion by 2028²

12 Weeks – Treated
With SilverSeal®¹



12 Weeks –
Treated With
Petroleum¹



1. "The Use of Silver impregnated hydrogel sheet in the management of foot and ankle incisions and wounds" by Stephen A. Brigido DPM FACFAS Section Chief- Foot and Ankle Reconstruction Director, Fellowship for Foot and Ankle Reconstruction Coordinated Heath at Lehigh Valley Hospital
2. "Scar Treatment Market by Type, Product, Region, Global Industry Analysis, Market Size, Share, Growth, Trends, and Forecast 2021 to 2028" report by Fior Markets

Management Team

Seasoned and experienced management team and SAB leading NEXGEL



ADAM LEVY
CEO

- 34 years capital markets experience
- Led the successful turn-around of several financially distressed music companies as CEO of Warlock Records



ADAM DRAPCZUK
Chief Financial Officer

- 20+ years of financial reporting, treasury and accounting experience for pharma companies
- Extensive experience with leading early-stage companies



KELLY KNOBECK
Director of Consumer Products

- 6+ years of management, product coordinating and project planning experience
- Creative lead and manager of all marketing efforts



GREGORY J. ROBB
Vice President of Operations

- 29 years of experience in electron beam processing
- 22 years producing electron beam cross-linked hydrogels
- Mr. Robb designed the layout and coordinated and supervised the construction of the NEXGEL facility

Scientific Advisory Board

DR. JEROME ZELDIS- CHAIR

- Chief Medical Officer and President of Clinical Research, Regulatory, and Safety at Sorrento Therapeutics
- Chief Executive Officer of elgene Global Health, Chief Medical Officer of Celgene Corporation, Celgene's Senior Vice President of Clinical Research and Medical Affairs and had been at Celgene since February 1997
- Board member of several start-up biotechnology companies and is currently on the board of the PTC Corporation (PTCT), Soligenix, Trek Therapeutics and Bionor Pharma
- Published 122 peer reviewed articles and created 43 US patents

DR. STEPHEN BANCO

- Board-certified, fellowship-trained Orthopaedic Spinal Surgeon
- Completed a spinal surgery fellowship at The New England Baptist Hospital in Boston
- Currently on the Editorial Review Board of Clinical Spine Surgery and has recently authored two book chapters in *The Spine*. He has published original research articles in *The Journal of Bone and Joint Surgery*, *Spine* and *Current Opinions in Orthopaedics*
- Dr. Banco has been a practicing orthopaedic spinal surgeon for 14 years

DR. STEPHEN BRIGIDO

- Accomplished surgeon and entrepreneur with seventeen years of experience in foot and ankle surgery, regenerative medicine, and product development
- Served as Chief of the Foot and Ankle Section at Coordinated Health for ten years and has been the Director of the prestigious Reconstructive Foot and Ankle Fellowship for 9 years
- In 2013, Dr. Brigido was named Professor of Surgery at the Geisinger Commonwealth Medical College
- Has over 100 peer-reviewed publications and book chapters in his name

Board of Directors

Steven Glassman

Steven Glassman, 56, has served on our Board of Director since March 8, 2021. Since January 2018, Mr. Glassman has served in the role of Global Business Initiatives at Nephila Advisors, LLC, a Nashville, TN based firm focused on catastrophic reinsurance and weather risk transfer markets in connection with the capital markets. From 2010 to 2017, Mr. Glassman served as the Chief Management Officer of Nephila Capital Ltd. Mr. Glassman holds a Bachelor of Arts in Economics from Vanderbilt University.

Yaakov Spinrad

Mr. Spinrad, 31, has served on our Board of Directors since September 9, 2021. Mr. Spinrad is currently a Venture Partner at Cane Investment Partners, a private investment firm located in Chicago, Illinois. Mr. Spinrad also serves as Chief Executive Officer of Vitae Health Systems, a multi-specialty healthcare solutions private company headquartered in Chicago, Illinois. Mr. Spinrad currently serves on the Board of Directors of Key Autism Services, Third Eye Health, Vitae Health Systems, Relief Mental Health and Hampton Social, all of which are private companies. Prior to Cane Investment Partners' founding, he worked at a single-family office, where he was both the director of acquisitions, and responsible for numerous portfolio operating companies, and real estate investments.

David Stefansky

Mr. Stefansky, 49, has served on our Board of Directors since September 10, 2019. Mr. Stefansky is a principal at Bezalel Partners, LLC, a private company engaged in principal investments and advisory services for early stage companies. He previously served in senior roles at investment banks and in executive and corporate director roles for private and publicly traded emerging growth companies in various sectors.

Nachum Stein

Mr. Stein, 72, has served on our Board of Directors since September 10, 2019. Mr. Stein is managing partner of HSI Partnership, an industrial and real estate investment family partnership. Mr. Stein previously served as Co-Chairman of the Board of Directors of Coleman Cable Co., a publicly traded company until its sale in 2014 for more than \$700 million. In 1987, he founded American European Group, a private insurance holding company ("AEG"). Mr. Stein is Chairman and Chief Executive Officer of AEG. Mr. Stein and his family currently own a majority of AEG. Mr. Stein is a former Chairman of the Board of Directors of Beth Jacob of Boro Park, the largest Jewish Community School for girls in the United States, and also a former member of the Board of Directors of Machon Bais Yakov Hilda Birn High School, and a member of the Board of Trustees of Agudath Israel of America as well as active in various community philanthropies, and committees of Jewish institutions of higher studies.

Miranda J. Toledano

Ms. Toledano, 45, has served on our Board of Directors since September 9, 2021. Since its founding in 2018, Ms. Toledano has served as Chief Operating Officer, Chief Financial Officer and Director at TRIGR Therapeutics, a private clinical stage immuno-oncology company focused on bispecific antibodies which was acquired by Compass Therapeutics in June 2021. Ms. Toledano currently serves as a director of Compass Therapeutics (OTC: CMPX), Entera Bio Ltd. (Nasdaq: ENTX), Journey Medical and Lipomedix. Additionally, Ms. Toledano served on the executive management team of Sorrento Therapeutics (Nasdaq: SRNE) as EVP Corporate Development from September 2016 until August 2017. From 2012 to 2016, Ms. Toledano served as Head of Healthcare Investment Banking at MLV & Co. (acquired by B. Riley FBR & Co.), where she completed equity capital market transactions totaling over \$4 billion in aggregate value. Prior to joining MLV, from 2004 until 2010, Ms. Toledano served in the investment group of Royalty Pharma (Nasdaq: RPRX). From 1998 to 2003, Ms. Toledano led the Life Sciences Corporate Finance group at Ernst & Young (Israel). Ms. Toledano holds a BA in Economics from Tufts University and an MBA in Finance and Entrepreneurship from the NYU Stern School of Business.

Dr. Jerome B. Zeldis, M.D., Ph.D.

Dr. Zeldis, 71, has served on our Board of Directors since April 1, 2020. Since April 2020, Dr. Zeldis has been serving as the executive chairman ViralClear Pharmaceuticals, Inc., a partially owned subsidiary of BioSig Technologies, Inc. (NASDAQ: BSGM), a company for which Dr. Zeldis has also been a member of the Board of Directors since May 2019. From 2016 to March 2019, Dr. Zeldis served as Chief Medical Officer and President of Clinical Research, Medical Affairs Drug Safety, Quality, and Regulatory at Sorrento Therapeutics, Inc. From 2014 until 2016, Dr. Zeldis served as chief executive officer of Celgene Global Health and chief medical officer of Celgene Corporation. Since June 2011, Dr. Zeldis has been a director of Soligenix, Inc. and PTC Therapeutics, Inc. He attended Brown University for an AB, MS, followed by Yale University for an MPhil, MD, and PhD in Molecular Biophysics and Biochemistry. Dr. Zeldis trained in Internal Medicine at the UCLA Center for the Health Sciences and in Gastroenterology at the Massachusetts General Hospital and Harvard Medical School. He was Assistant Professor of Medicine at the Harvard Medical School, Associate Professor of Medicine at University of California, Davis, Clinical Associate Professor of Medicine at Cornell Medical School and Professor of Clinical Medicine at the Robert Wood Johnson Medical School in New Brunswick, New Jersey.

Investment and Operational Highlights

- The importance of skin integrity and overall skincare is a widely recognized issue
- NEXGEL has emerged as a leading provider of proprietary ultra-gentle, high-water-content hydrogels, disrupting and innovating healthcare and consumer applications
- Own medical-grade technology and GMP/ISO-certified facility (only 1 of 2 in North America)
- Multiple shots on goal across a large 510(k) product pipeline with simple predicate devices and regulatory pathways
- Our first medical application, NEXDrape, has proof of concept completed, IP filed and expedited path to approval.
- We have 100% partnering/licensing healthcare model
- De-risked, low cap-ex consumer model with multiple revenue paths – research/custom label, white label, and direct-to-consumer

Contact Us

Investor Relations

KCSA Strategic Communications

NEXGEL@KCSA.com

Company Overview



Platform

GMP & ISO certified medical grade technology/facility in North America that has been providing gels to multi- national device companies for over 20 years



Multiple Large Market Opportunities

- Medical Device (510k)
- OTC Healthcare
- Beauty & Cosmetics



Intellectual Property

NEXGEL Inc. has a Worldwide patent on NEXDrape surgical drape

We will be filing additional patents on future devices



Partnerships

Flexible partnering/licensing model increases market opportunities and decreases cap ex

100% healthcare licensing model, not seeking to commercialize in-house

Large white and custom label consumer opportunity



Team

Management team & SAB have proven success in monetizing healthcare assets through licensing, acquisitions & partnerships