

Quick Comment

Botanix Pharmaceuticals Ltd (BOT \$0.093) Speculative Buy

EUROZ HARTLEYS

Analyst	Date	Price Target
Seth Lizee	1st April 2022	\$0.17/sh

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Chief Commercial Officer and Chief Medical Officer Added

Key Points

- BOT has announced the addition of two experienced executives, joining as Chief Commercial Officer (CCO) and Chief Medical Officer (CMO)
- Howie Mckibbon – Chief Commercial Officer (CCO)
 - +20 years pharma experience
 - Has launched 15 products (11 dermatology) over course of career
 - Played a significant role in two of the largest dermatology acquisitions, with combined valuations of \$7.8 billion
- Dr Patricia Walker – Chief Medical Officer (CMO)
 - Board certified dermatologist with over 20 years industry experience
 - Has played a key role in the development and approval of major dermatology products, including Tazorac®, Botox® Cosmetic, Juvederm™, Hylaform®, Captique®, LAP-BAND®, Inamed® silicone gel-filled breast implants and Kybella®
- These additions further strengthen BOTs management team, placing the company in a solid position to develop and realise value from its clinical programs
- The company has a number of near term catalysts ahead, with:
 - BTX1702 (Rosacea) phase 1b/2a results – Mid 2022
 - BTX1204A (Atopic Dermatitis) Proof of concept results – Q2 CY22
 - BTX1801 (Antimicrobial) phase 2b kick off – Q2 CY22
- We maintain our Speculative buy recommendation and \$0.17/sh. Price Target

Investment Thesis

Botanix Pharmaceuticals Ltd (BOT) is a clinical stage pharmaceutical company. The company is looking to shake up big markets in dermatology and antimicrobials with its four clinical programs which leverage the unique properties of synthetic cannabinoid, in conjunction with a proprietary drug delivery system. We believe the market is pricing these programs as failures, or close to it, whereas our analysis suggest the opposite. The prize, should individual programs ultimately be clinically successful, is huge. We anticipate the stock will trade up as we approach the multiple catalyst due early to mid-next year, if BOT can deliver successful clinical outcomes, we believe the stock can trade above our price target, perhaps substantially.

Botanix Pharmaceuticals Ltd (BOT)

Share Price	0.093	A\$/sh	Enterprise Value	70.2	A\$/m
Price Target	0.17	A\$/sh	Debt	Nil	A\$/m
Valuation	0.17	A\$/sh	Cash (pro-forma)	19.6	A\$/m
Shares on issue	1041.6	m(dil)	Unpaid cap.	7.1	m(dil)
Market Capitalisation	96.9	A\$m			

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Contact Details

Euroz Hartleys Limited +61 8 9488 1400

Research Analysts

Jon Bishop - Head of Research	+61 8 9488 1481
Mike Millikan - Resources Analyst	+61 8 9268 2805
Kyle De Souza - Resources Analyst	+61 8 9488 1427
Michael Scantlebury - Resources Analyst	+61 8 9268 2837
Steven Clark - Resources Analyst	+61 8 9488 1430
Trent Barnett - Senior Analyst	+61 8 9268 3052
Gavin Allen - Senior Analyst	+61 8 9488 1413
Harry Stevenson - Industrials Analyst	+61 8 9488 1429
Seth Lizee - Research Analyst	+61 8 9488 1414

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