



BOT | FY 2025 Results

BOT.ASX | BOTANIX PHARMACEUTICALS LIMITED | HEALTHCARE | BIOTECHNOLOGY

PRICE
A\$0.15/sh

TARGET PRICE
A\$0.44/sh
(FROM A\$0.40/sh)

RECOMMENDATION
BUY
(UNCHANGED)

Event

BOT has released its FY2025 results.

Impact

Key financial highlights were as follows:

- Net Revenues (incl. Kaken royalties) of \$5.7 million (vs \$5.6 million EHe)
- Net Loss after Tax of \$86.4 million (vs \$65.2 million EHe)

There were no material surprises in the result, with most key metrics (prescriptions, net revenues, cash) already disclosed in the June quarterly. The variance in net loss after tax mainly reflects non-cash share-based payments and debt issuance costs, which were already incorporated into our valuation through a fully diluted share count including options, performance rights, and warrants.

FY25 proved both pivotal and turbulent for BOT, marked by the launch of Sofdra™ (Sofpironium Bromide) followed by an early mismatch in expectations that weighed on the share price and ultimately prompted us to reset forecasts (See research [here](#)).

Encouragingly, post-launch commercial metrics have shown strong traction. Unique prescribers, prescription volumes, and net revenues have all grown month-on-month. Refill rates have been particularly strong: patients initiating Sofdra in February have averaged 3.4 fills to date, materially above the industry average of ~2 fills per year.

Operating cash outflow likely peaked in the June quarter. Management expects a rapid decline in September, supported by the absence of further inventory purchases in 1H FY26, stable core operating costs, and rising revenues. We previously highlighted that the absence of inventory purchases alone should reduce operating cash outflow by ~40% next quarter to around A\$17m. Factoring in expected revenue growth – supported by a larger sales force and improving gross-to-net yields – we see scope for even greater reductions in operating cash outflows (all else equal, see research [here](#)).

Against available cash of A\$64.9m and undrawn debt facilities of A\$15.3m (subject to several milestones), the company looks well-funded. Importantly, in its annual report BOT stated that it “believes it is currently well funded to achieve profitability utilising its current cash reserves.” We continue to model breakeven in FY27.

For the September quarter (1QFY26), we are looking for three things: **1)** ~20,100 prescriptions sold (+47% QoQ), **2)** net revenues of A\$7.5m (+73% QoQ), and **3)** decreased operating cash outflows. Delivery would, in our view, be a strong vote of confidence that BOT is firmly on the right trajectory following the reset.

We have updated our model for the results.

Action

We maintain our Buy recommendation with an updated \$0.44 Price Target (previously \$0.40), reflecting our model roll-forward.

Catalysts

September Quarter (1Q FY26) Results

Analyst

Seth Lizee

slizee@eurozhartleys.com

Share Price	0.15	A\$/sh
Price Target	0.44	A\$/sh
Valuation	0.44	A\$/sh
Discount Rate	10%	%
Terminal Growth Rate	0%	%

Shares on issue*	2,161	m, dil
Market Capitalisation	313.3	A\$m
Enterprise Value	258.1	A\$m
Debt (Incl. leases)	32.1	A\$m
Cash	65.0	A\$m
Unpaid capital	22.3	A\$m

*Fully Diluted

Key Metrics	26F	27F	28F
Revenue (A\$m)	59.5	113.9	160.8
EBITDA (A\$m)	-27.0	9.2	30.4
Reported NPAT (A\$m)	-36.0	3.0	25.7
Norm NPAT (A\$m)	-36.0	3.0	25.7
Gross CF (A\$m)	-33.9	5.1	27.7
Capex (A\$m)	0.0	0.0	0.0
Op. FCF (A\$m)	-42.1	3.1	26.2
EBITDA Gwth (%)	-0.7	-1.3	2.3
NPAT Gwth (%)	-58%	-108%	751%
Norm EPS (Ac)	-1.7	0.1	1.2
Norm. EPS gwth (%)	-0.6	-1.1	7.5
PER (x)	na	na	11.1
EV/EBITDA (x)	na	28.1	8.5
EV/Revenue (x)	4.3	2.3	1.6
Net Cash (A\$m)	-2.9	0.1	26.3

Performance



Source: IRESS

Income Statement (A\$m)	25A	26F	27F	28F	Performance Ratios	25A	26F	27F	28F
Net Sales	5.0	56.8	111.2	158.0	Growth & Margins				
Royalties	0.7	0.7	0.8	0.9	Revenue Growth	255%	681%	92%	41%
Other (inc R&D)	1.9	1.9	1.9	1.9	EBITDA Growth	468%	-66%	-134%	232%
Total Revenue	7.6	59.5	113.9	160.8	EBIT Growth	481%	-64%	-124%	307%
(-) COGS (inc. roy)	-1.3	-14.2	-27.8	-39.5	Net Profit Growth	523%	-58%	-108%	751%
Gross Profit	6.4	45.3	86.1	121.3	Margins				
(-) R&D	-0.1	0.0	0.0	0.0	EBITDA margin	-1032%	-45%	8%	19%
(-) SG&A	-84.8	-72.3	-76.9	-90.9	EBIT margin	-1062%	-49%	6%	18%
EBITDA	-78.6	-27.0	9.2	30.4	Net profit margin	-1135%	-61%	3%	16%
(-) D&A	-2.3	-2.3	-2.3	-2.3	Effective tax rate	0%	0%	0%	0%
EBIT	-80.9	-29.3	6.9	28.2	Liquidity				
(-) Net finance	-0.3	-4.2	-3.9	-2.5	Capex/depreciation	0.5	0.0	0.0	0.0
(+/-) Other	-5.3	-2.5	0.0	0.0	Current ratio	4.0	3.2	3.3	4.4
PBT	-86.4	-36.0	3.0	25.7	Quick ratio	4.5	4.3	3.6	4.1
(-) Tax	0.0	0.0	0.0	0.0	Receivable days	153.5	49.1	34.5	33.1
NPAT	-86.4	-36.0	3.0	25.7	Payable days	65.7	60.0	60.0	60.0
(+/-) Adj.	0.0	0.0	0.0	0.0	Risk Measures				
Norm NPAT	-86.4	-36.0	3.0	25.7	Dividend Cover	na	na	na	na
Cashflow Statement (A\$m)	25A	26F	27F	28F	Payout ratio	0%	0%	0%	0%
NPAT	-86.4	-36.0	3.0	25.7	Net interest cover	na	na	na	na
(+) D&A	2.3	2.3	2.3	2.3	Net debt/equity	-0.4	0.1	0.0	-0.3
(+) Non-cash expenses	20.5	0.0	0.0	0.0	Returns				
(-) Leases	-0.2	-0.2	-0.2	-0.2	ROIC	-69%	-39%	9%	24%
(+/-) Other	5.2	0.0	0.0	0.0	ROA	-67%	-33%	3%	22%
Gross Cash Flow	-58.7	-33.9	5.1	27.7	ROE	-106%	-69%	6%	32%
(-) Capital expenditure	-1.0	0.0	0.0	0.0	Share Data/Valuation	25A	26F	27F	28F
(+/-) Working capital	-20.1	-8.2	-2.0	-1.5	Issued shares	1,961	1,961	1,961	1,961
Operating Free Cash Flow	-79.9	-42.1	3.1	26.2	Weighted ave shares	1,886	1,961	1,961	1,961
(-) Acquisition	0.0	0.0	0.0	0.0	Fully diluted shares	2,161	2,161	2,161	2,161
(-) Milestone payment	0.0	0.0	0.0	0.0	Basic EPS	-4.4	-1.8	0.2	1.3
(+) Placement	37.9	6.5*	0.0	0.0	YoY change	475%	-58%	-108%	751%
(+) Disposal	0.0	0.0	0.0	0.0	Fully diluted EPS	-4.0	-1.7	0.1	1.2
(+/-) Other	-0.8	0.0	0.0	0.0	YoY change	452%	-58%	-108%	751%
Net Cash Flow	-42.8	-35.6	3.1	26.2	Fully diluted norm EPS	-4.0	-1.7	0.1	1.2
BoP Net Cash / (Debt)	79.3	32.9	-2.9	0.1	YoY change	452%	-58%	-108%	751%
(+/-) Net Cash Flow	-42.8	-35.6	3.1	26.2	Dividend/share	0.0	0.0	0.0	0.0
(+/-) Other	-3.7	-0.1	-0.1	-0.1	Franking	na	na	na	na
EOP Net Cash / (Debt)	32.9	-2.9	0.1	26.3	Gross cash flow/share	-3.0	-1.7	0.3	1.4
Balance Sheet (A\$m)	25A	26F	27F	28F	NBV/share	4.1	2.6	2.8	4.1
Cash	65.0	43.2	34.8	46.0	NTA/Share	2.7	1.3	1.6	3.0
Inventory	28.1	28.1	28.1	28.1	Valuation				
Receivables	3.2	8.0	10.8	14.6	PER (Basic) (x)	na	na	na	11.1
Prepayments	3.3	3.3	3.3	3.3	PER (Fully diluted) (x)	na	na	na	12.2
Current Assets	99.6	82.6	77.0	92.0	PER (Fully diluted, norm) (x)	na	na	na	12.2
PP&E	0.3	0.2	0.2	0.2	P/CFPS (x)	na	na	na	10.2
Intangible	28.1	26.2	24.2	22.3	Price/NBV (x)	3.5	5.5	5.2	3.5
ROUA	1.1	1.1	1.1	1.1	Price/NTA (x)	5.3	11.1	9.3	4.9
Other	0.0	0.0	0.0	0.0	Dividend Yield (%)	0.0	0.0	0.0	0.0
Non-current Assets	29.5	27.5	25.5	23.6	EV/EBITDA (x)	na	na	28.1	8.5
Total Assets	129.1	110.1	102.5	115.6	EV/EBIT (x)	na	na	37.3	9.2
Payables	15.3	11.9	12.6	14.9	EV/Revenue (x)	33.9	4.3	2.3	1.6
Lease liabilities	0.4	0.4	0.4	0.4					
Borrowing	8.8	12.8	9.6	5.3					
Provisions	0.4	0.4	0.4	0.4					
Current Liabilities	24.9	25.5	23.0	21.0					
Lease liabilities	0.8	0.8	0.8	0.8					
Borrowing	22.1	32.0	23.9	13.2					
Non-current liabilities	22.9	32.8	24.7	14.0					
Total liabilities	47.8	58.3	47.7	35.1					
Net Assets	81.3	51.8	54.8	80.5					
Issued Capital	226.3	232.8	232.8	232.8					
Reserves	32.2	32.2	32.2	32.2					
Retained earnings	-177.2	-213.2	-210.2	-184.5					
Total equity	81.3	51.8	54.8	80.5					

*To satisfy debt conditions

Figure 1: US Sofdra Forecasts

US Sofdra Forecasts	Units	1Q	2Q	3Q	4Q	FY2025	1Q	2Q	3Q	4Q	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
Prescriptions Sold	'000s	0.0	0.0	3.2	13.6	16.9	20.1	27.4	36.8	42.9	127.2	213.3	288.0	354.5	418.0	477.8	532.5	581.4	624.2
... Growth (YoY)	%					na					654%	68%	35%	23%	18%	14%	11%	9%	7%
Sofdra List Price	US\$/script	968	968	968	968	968	968	968	968	968	968	997	1,026	1,057	1,089	1,122	1,155	1,190	1,226
...Price Escalation (YoY)	%											3%	3%	3%	3%	3%	3%	3%	3%
Gross to Net (GTN) Yield	%			15%	21%	20%	25%	32%	29%	32%	30%	34%	35%	36%	36%	37%	38%	39%	40%
Net Price	US\$/script			147	204	193	242	310	281	310	291	339	357	375	395	415	436	458	490
Gross Sales	US\$m			3.1	13.2	16.3	19.4	26.5	35.6	41.5	123.0	212.6	295.6	374.8	455.2	535.9	615.2	691.8	765.1
Gross Sales	A\$m			4.8	20.5	25.3	29.9	40.8	54.8	63.9	189.3	327.0	454.8	576.6	700.3	824.5	946.4	1,064.3	1,177.0
Net Sales	US\$m			0.5	2.8	3.3	4.9	8.5	10.3	13.3	36.9	72.3	102.7	133.1	165.0	198.3	232.2	266.3	306.0
Net Sales	A\$m			0.7	4.3	5.0	7.5	13.0	15.9	20.4	56.8	111.2	158.0	204.7	253.9	305.1	357.3	409.8	470.8
...Growth	%										1026%	96%	42%	30%	24%	20%	17%	15%	15%
(-) COGS	US\$m					-0.7					-7.4	-14.5	-20.5	-26.6	-33.0	-39.7	-46.4	-53.3	-61.2
Gross Profit	US\$m					2.6					29.6	57.8	82.2	106.4	132.0	158.6	185.8	213.1	244.8
...Gross Margin	%					80%					80%	80%	80%	80%	80%	80%	80%	80%	80%
(-) SG&A**	US\$m					-41.5					-47.0	-50.0	-59.1	-66.5	-74.3	-79.3	-85.9	-90.6	-91.8
...as % of Net sales	%					1275%					127%	69%	58%	50%	45%	40%	37%	34%	30%
(-) Royalty	US\$m					-0.2					-1.8	-3.6	-5.1	-6.7	-8.3	-9.9	-11.6	-13.3	-15.3
...as % of Net sales	%					5%					5%	5%	5%	5%	5%	5%	5%	5%	5%
Operating Income	US\$m					-39.1					-19.3	4.2	18.0	33.3	49.5	69.4	88.2	109.2	137.7

Source: EH analysis; **Excludes non-cash share based payments & debt issuance costs, 0.65 A\$/US\$ Fx

Personal disclosures

We hereby certify that all of the views expressed in this report accurately reflect our personal views about the subject company or companies and its or their securities, and we are not in possession of, nor does this Research contain any inside information.

No part of our compensation was, is or will be directly or indirectly, related to the specific recommendations or views expressed by the authoring Analyst in this research, nor has there been any adverse or undue influence on the Analyst in the preparation of this report.

Company disclosures

The companies and securities mentioned in this report, include:

Botanix Pharmaceuticals Limited (BOT.ASX) | Price A\$0.15 | Target price A\$0.44 | Recommendation Buy;

Price, target price and rating as at 02 September 2025 (not covered)*

Additional disclosures

The analyst declares that they have a beneficial interest in: Botanix Pharmaceuticals Limited (BOT.ASX)

Euroz Hartleys declares that it has provided corporate advice during the last year and has received a fee for these services from: Botanix Pharmaceuticals Limited (BOT.ASX)

Euroz Hartleys declares that it has acted as underwriter to, and/or arranged an equity issue in, and/or been engaged in a capital raising during the last year. Euroz Hartleys has received a fee for these services from: Botanix Pharmaceuticals Limited (BOT.ASX)

Euroz Hartleys has received an allocation of shares and/or options as part of our fee for the provision of Corporate services. These holdings are maintained in our Nominee company, and may present a potential benefit to Euroz Hartleys when sold for: Botanix Pharmaceuticals Limited (BOT.ASX)

Other disclosures, disclaimers and certificates

Copyright & Distribution

The material contained in this communication (and all attachments) is prepared for the exclusive use of clients of Euroz Hartleys Limited (ACN 104 195 057) only.

Euroz Hartleys Limited is the holder of an Australian Financial Services Licence (AFSL 230052) and is a participant of the Australian Securities Exchange Group.

The information contained herein is confidential. If you are not the intended recipient no confidentiality is lost by your receipt of it. Please delete and destroy all copies, and contact Euroz Hartleys Limited on (+618) 9268 2888. You should not use, copy, disclose or distribute this information without the express written authority of Euroz Hartleys Limited.

Disclaimer & Disclosure

Euroz Hartleys Limited, and their associates declare that they deal in securities as part of their securities business and consequently may have an interest in the securities recommended herein (if any). This may include providing equity capital market services to the issuing company, hold a position in the securities, trading as principal or agent and as such may effect transactions not consistent with the recommendation (if any) in this report.

You should not act on any recommendation issued by Euroz Hartleys Limited without first consulting your investment adviser in order to ascertain whether the recommendation (if any) is appropriate, having regard to your objectives, financial situation and needs. Nothing in this report shall be construed as a solicitation to buy or sell a security, or to engage in or refrain from engaging in any transaction.

Euroz Hartleys Limited believes that the information and advice contained herein is correct at the time of compilation, however we make no representation or warranty that it is accurate, complete, reliable or up to date, nor do we accept any obligation to correct or update the opinions in it. The opinions expressed are subject to change without notice. No member of Euroz Hartleys Limited accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this material.

We cannot guarantee that the integrity of this communication has been maintained, is free from errors, virus interception or interference. The author of this publication, Euroz Hartleys Limited, its directors and their associates from time to time may hold shares in the security/securities mentioned in this Research document and therefore may benefit from any increase in the price of those securities. Euroz Hartleys Limited, and its Advisers may earn brokerage, fees, commissions, other benefits or advantages as a result of transactions arising from any advice mentioned in publications to clients.

This research report is the product of Euroz Hartleys. This research is not intended for use by any U.S. person that does not qualify as a Major U.S. Institutional Investor (as defined in SEC Rule 15a-6). The analysts who prepare Euroz Hartleys' reports are employees of Euroz Hartleys, reside outside the United States and are not associated with an SEC-registered broker-dealer. As a result, such analysts are not subject to FINRA Rule 2241 or to SEC Regulation AC which, among other things, restrict a research analyst's public appearances, personal securities trading and communications with subject companies.

Research Analysts

Gavin Allen, Executive Director & Head of Research | +618 9488 1413 | gallen@eurozhartleys.com

Trent Barnett, Senior Analyst | +618 9268 3052 | tbarnett@eurozhartleys.com

Mike Millikan, Senior Analyst | +618 9268 2805 | mmillikan@eurozhartleys.com

Michael Scantlebury, Resources Analyst | +618 9268 2837 | mscantlebury@eurozhartleys.com

Steven Clark, Resources Analyst | +618 9488 1430 | sclark@eurozhartleys.com

Kyle De Souza, Resources Analyst | +618 9488 1427 | kdesouza@eurozhartleys.com

Declan Bonnick, Research Analyst | +618 9488 1481 | dbonnick@eurozhartleys.com

Seth Lizee, Research Analyst | +618 9488 1414 | slizee@eurozhartleys.com

Oliver Porter, Research Analyst | +618 9488 1429 | oport@eurozhartleys.com

Ben Ledger, Associate Research Analyst | +618 9268 2834 | bledger@eurozhartleys.com