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27 October 2026

Botanix Pharmaceuticals Quarterly Activity Report and 4C Quarterly Cash Flow Report Q1 FY27

PHOENIX, USA – 27 October 2026: Commercial dermatology company, Botanix Pharmaceuticals Limited (ABN 70 009 109 755) (ASX:BOT, "Botanix" or "the Company"), is pleased to release its Quarterly Activity Report and Appendix 4C Quarterly Cash Flow Report for the period ended 30 September 2026.

Key highlights

- Total prescriptions shipped grew 5.3% for the quarter from 33,358 in Q4 FY26 to 35,130 in Q1 FY27, affirming the resized sales force's ability to continue *Sofdra* growth
- The average gross-to-net (GTN) yield for the September quarter was 21% vs 22% in Q4 FY26, likely resulting from decreased prior authorisation submissions, which have since been addressed
- *Sofdra* net revenue (unaudited) was unchanged, remaining at $10.1 million in Q1 FY27 vs Q4 FY26, on increased gross sales of $49.3 million in Q1 FY27 vs $46.7 million in Q4 FY26
- Operating cash outflows decreased 13% to $9.2 million in Q1 FY27, versus $10.6 million in Q4 FY26, driven by 13% growth in product sales receipts to $15.2 million from $13.4 million in the prior quarter, and the cost optimisation strategies implemented during the quarter
- As at 30 September 2026, Botanix's cash position was $24.4 million vs $36.6 million in Q4 FY26.
- Subsequent to quarter-end, Botanix has initiated decisive cost actions to preserve cash runway and provide flexibility to pursue strategic opportunities that unlock value

Operating and Financial Results

In Q1 FY27, the commercial launch of *Sofdra* (sofpironium) topical gel, 12.45%, continued to demonstrate growth in total prescriptions shipped (TRx) during the quarter.

TRx grew 5.3% to 35,130 in Q1 FY27 from 33,358 in Q4 FY26, affirming the sales force's ability to continue *Sofdra* growth following the resizing from 50 to 39 sales professionals completed on 31 July 2026. TRx grew ~32% in the recent 6 months versus the prior 6 months.

Average GTN yield for the September 2026 quarter declined slightly to 21%, compared with 22% in Q4 FY26. This is believed to be the result of a temporary decrease in prior authorisation submissions, which has since been addressed. Improvement is expected in Q2 FY27, assuming other factors remain constant.

Initiatives to improve gross-to-net performance

Botanix has implemented several operational initiatives to improve gross-to-net yield and overall net sales performance over time. The Company is focused on increasing prior authorisation submissions, improving prior authorisation approval rates, increasing prescription shipment rates and enhancing

long-term patient persistence on therapy. The Company believes these initiatives can yield more value from each patient without incremental cost.

Five opportunities to lift GTN and net sales—without added expense[1]

Based on management's analysis, the principal opportunities to improve gross-to-net yield and net sales include:

Initiative	Impact	
PA submission rate: 68% to 73%	**+1–2%**	GTN improvement
PA approval rate: 74% to 79%	**+1–2%**	GTN improvement
Copay change: $50 for non-covered refills	**+6–9%**	GTN improvement
Improve ship rate: 88% to 92%	**+4–5%**	Growth in net sales
Increase fills per patient/year: 5.1 to 6.1 fills	**+20%**	Growth in net sales

In FY26, GTN strengthened through the December quarter and is expected to follow a similar course in the current fiscal year. At the beginning of the calendar year, the annual US healthcare insurance deductible reset occurs, which will have a transient downward effect on GTN in Q3 FY27.

Q1 FY27 gross sales of *Sofdra* were $49.3 million (vs $46.7 million in Q4 FY26). While *Sofdra* prescriptions grew, quarterly revenue remained flat at $10.1 million, likely due to lower PA submissions.[2]

Net cash outflow from operating activities decreased 13% to $9.2 million in Q1 FY27 from $10.6 million in Q4 FY26. The decrease was driven by higher sales receipts and cost optimisation strategies implemented during the quarter, including the sales force sizing and alignment initiative and decreased product manufacturing costs.

Manufacturing costs declined 35% from $1.2 million in Q4 FY26 to $0.8 million in Q1 FY27. Inventory build-up was completed in Q1 FY27, ahead of US pharmaceutical tariffs taking effect on 29 September 2026, with associated cash outflow of approximately $2 million occurring in Q2 FY27. This is the only manufacturing cost projected for the balance of FY27.

Operating costs decreased nominally by 1% to $11.3 million in Q1 FY27 vs $11.5 million in Q4 FY26, driven by lower operating expenditures across the business offset by $1.7 million in alternate API supplier spend for technology transfer. Timely completion of this process is a top priority for Botanix because it could reduce cost of goods sold by 25% to 40%. Underlying operating cost levels remained disciplined and consistent with management's cost-control strategy.

As at 30 September 2026, the Company's cash position was $24.4 million vs $36.6 million in Q4 FY26.

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[1] The model for the remainder of FY27, compared with Q1 FY27, is based on available data, including actual prescription, refill, reimbursement, revenue and patient-persistence data generated through the Botanix Fulfilment Platform, combined with physician market research, observed launch performance, and management's prior experience. It is not a forecast of revenue.

[2] An operational inefficiency in prior authorisation processing was identified. The Company optimized the process by prioritizing the processing of higher value prior authorisations with higher probability of success. Additional training was provided to PA coordinators, and follow-up with appropriate physicians was increased. Although many factors can affect gross to net yield, Botanix believes this was the likely cause of lower gross-to-net yield in Q1 FY27.

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US Patent issued covering the crystalline form of *Sofdra's* drug substance

In July, Botanix announced a Notice of Allowance for a US patent application covering the crystalline form and preparation method for Sofpironium Bromide, the drug substance underpinning *Sofdra*. The US patent was issued on 26 August 2026 and is expected to protect against unauthorised manufacturing into May 2040.[3] A chemical entity patent is highly valued and difficult to design around. This patent, together with multiple existing patents, strengthens the Company's intellectual property estate around *Sofdra* and enhances its long-term value proposition to support future commercialisation and partnering initiatives.[4]

Alternate API supply agreement

In October, Botanix entered into a Commercial Manufacturing and Supply Agreement with PPL Pharma Solutions Riverview LLC (Piramal), as the Company's alternate API supplier. Technical transfer work with Piramal has been ongoing for the past six months. This will de-risk the Botanix supply chain and is anticipated to provide a 25%–40% reduction in cost of goods sold and increase gross profit.

Botanix Board renewal

Australian resident Non-Executive Directors Dr Stewart Washer and Mr Danny Sharp resigned from the Board on Saturday 17 October 2026.[5]

Company Secretary Mr Andrew Bickley and Chief Financial Officer (Australia) Mr Graeme Morissey, both ordinarily resident in Australia, have been appointed as interim Non-Executive and Executive Director, respectively, to fill the casual vacancies. The appointments are in accordance with the Botanix Constitution and took effect on 18 October 2026. Given their existing officer roles, Bickley and Morissey will not be classified as independent Directors.

Their governance and financial backgrounds will greatly assist the Board at this important time, and their intimate knowledge of the business will allow the Company to move forward without disruption.

This will give the Company time to conduct a careful search for replacement Australian resident independent Non-Executive Directors to join the Board for the longer term, with the best mix of skills and experience to drive growth for the Company.

Driving sustainable growth with decisive cost actions

Botanix remains focused on improving profitability and driving sustainable growth through disciplined resource allocation, commercial execution and cash flow optimisation. As part of its ongoing focus on return on investment, the Company completed a sales force sizing and alignment initiative in July 2026.

Those efforts continue with decisive cost actions undertaken in October 2026 that are estimated to reduce annual operating expenses by approximately 50%. These actions are designed to extend Botanix's cash runway and provide additional time to advance strategic initiatives, including licensing opportunities, complementary product acquisitions and broader strategic transactions, including

[3] Botanix Pharmaceuticals, 'Notice of Allowance for US Patent on Sofdra drug substance' (ASX Announcement, 12/07/2026)

[4] Botanix Pharmaceuticals, 'Botanix Q4 FY26 Investor Update Webinar Presentation' (ASX Announcement, 27/07/2026)

[5] Botanix Pharmaceuticals, 'Board Renewal" (ASX Announcement, 19/10/2026)

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pursuing opportunities to transact the Company. Lower cash requirements help preserve flexibility while Botanix evaluates opportunities to realise value from *Sofdra*, its commercial infrastructure and the Botanix Fulfilment Platform.

These actions resulted in a leaner, more focused US organisation with a combined 60% reduction in corporate and sales headcount and 50% reduction in operating expenditures, while retaining ~75% of revenue-generating ability, according to management's modelling.

The modelling assumes:

- 45–50% of current net revenue is generated from the top 13 sales territories
- Territory coverage of high-value targets in adjacent geographies contributes 5–8%
- Continued prescribing activity in vacant territories contributes 20–24%

Protect cash runway with targeted changes[6]

~75% **Revenue generating ability**

~60% **Headcount reduction**

~50% **OPEX reduction**

Opportunities to unlock value

1. **Expand the portfolio**
   In-license complementary assets
2. **Optimize global commercialization**
   Out-license to ex-US territories
3. **Evaluate strategic opportunities**
   Pursue opportunities to transact the Company

~50% OPEX reduction to extend cash runway while retaining ~75% revenue-generating ability

Strategic priorities

Combined with Botanix's existing commercial infrastructure, fulfilment platform and patient services capabilities, these initiatives position the Company to support future growth, increase operating efficiency and make it more attractive for licensing and acquisition opportunities.

The Company's strategic priorities include:

- Strengthening the balance sheet through expense reductions while striving to maximise *Sofdra* revenue.
- Seeking revised debt terms, including an extension of the interest-only period, and improved API pricing and purchase terms.
- Expanding the portfolio through complementary product acquisitions and in-licensing opportunities that can benefit from the Botanix Fulfilment Platform and commercial infrastructure.
- Pursuing opportunities to out-license *Sofdra* in territories beyond the United States.
- Evaluating broader strategic transactions, including opportunities to transact the Company.

[6] The ~50% operating expenditure reduction is a management target for the remainder of FY27 compared with Q1 FY27. 'Revenue generating ability' is a management estimate based on current prescribing data and the assumptions set out above. It is not a forecast of revenue.

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Botanix is a commercial-stage company with an FDA-approved product, growing prescription demand, and multiple pathways for value creation.

Botanix is building capabilities—not for one product—but for a dermatology franchise. The Botanix Fulfilment Platform improves gross-to-net yield, delivers fill rates 2.5 times the industry standard, has a high rate of fully reimbursed prescriptions, and is backed by high physician and patient satisfaction.

Management has acted decisively to reduce cash burn, extend runway, and preserve the ability to execute on strategic priorities. At the same time, the Board is actively evaluating opportunities that may accelerate shareholder value creation. In the interim, Botanix can grow *Sofdra* without spending additional funds.

Keep in mind that this Botanix team has launched more than 30 dermatology products, many of which went on to become market leaders. Together, they have an unmatched record in commercialising products and achieving exits to larger partners for the benefit of shareholders.

The Company believes the combination of ongoing commercial performance, operational discipline, and strategic flexibility positions Botanix for an important next phase, and we look forward to updating shareholders on our progress.

Corporate and Financial

During the 30 September 2026 quarter, the following events occurred involving the Company's securities:

Issuance of shares, options and exercise of performance rights

On 11 August 2026, the Company issued 14,000,000 Performance Rights to staff, none of which were *Key Management Personnel* of the Company.

A total of 22,633,333 BOTAAD Performance Rights were exercised by employees over the course of the quarter, including 16,333,333 by Dr Howard McKibbon (CEO) and 4,000,000 by Mr Vince Ippolito (Executive Chairman), both of whom are *Key Management Personnel* of the Company. As a result of the exercises, which were at a nil exercise price, the Company issued 22,633,333 fully paid ordinary shares.

Expiry of options and performance rights

The following options and performance rights were cancelled during the quarter, whether due to expiry or lapsing of the conditional right to the security:

Code	Number	Exercise Price	Expiry date
BOTAK	2,500,000	$0.125	24/12/2029
BOTAAQ	250,000	$0.110	8/10/2023
BOTAAN	500,000	$0.475	6/03/2026
BOTAH	1,000,000	$0.145	22/08/2026

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Remuneration of Key Management Personnel

During the September 2026 quarter, payments totalling $0.614 million (as disclosed in Item 6.1 of the Appendix 4C) were made to Directors and Executive staff (key management personnel), either on payroll or acting as consultants. The payments were for the provision of services under staff, consulting and Director contracts.

Release authorised by

Vince Ippolito
Executive Chairman

About Botanix Pharmaceuticals

Botanix Pharmaceuticals Limited (ASX:BOT) is a dermatology company based in Phoenix (US), which has received FDA approval for *Sofdra*, its product for the treatment of primary axillary hyperhidrosis. *Sofdra* is the first and only new chemical entity approved by FDA to treat primary axillary hyperhidrosis and presents a novel, safe and effective solution for patients who have lacked treatment options for this socially challenging medical condition.

To learn more, please visit: www.botanixpharma.com

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Cautionary Note on Forward-Looking Statements

Forward-looking statements can generally be identified by the use of forward-looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions and include, but are not limited to, plans and prospects for the Company, the Company’s strategy, future operations, the expected timing and/or results of regulatory approvals and prospects of commercialising product candidates or research collaborations with its partners, including in Japan, the outcome and effects of *Sofdra* and the market for *Sofdra*. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. The forward-looking statements contained in this announcement are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Botanix, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Investors should consider the forward-looking statements contained in this announcement in light of those disclosures and not place undue reliance on such statements. Except as required by law or regulation, Botanix undertakes no obligation to update forward-looking statements.

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Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Botanix Pharmaceuticals Limited	
ABN	Quarter ended ("current quarter")
70 009 109 755	30 September 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from royalties	440	440
1.2	Receipts from product sales, net of deductions	15,161	15,161
1.3	Payments for gross to net deductions from product sales	(7,486)	(7,486)
1.4	Payments for		
	(a) Product manufacturing	(778)	(778)
	(b) Operating costs	(11,313)	(11,313)
	(c) Staff costs	(2,631)	(2,631)
	(d) General and administration	(1,529)	(1,529)
	(e) Royalties	(779)	(779)
1.5	Interest received	146	146
1.6	Interest paid	(637)	(637)
1.7	Refund of GST	181	181
1.8	**Net cash from / (used in) operating activities**	**(9,225)**	**(9,225)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:	-	-
	(f) entities	-	-
	(g) businesses	-	-
	(h) property, plant and equipment	-	-
	(i) investments	-	-
	(j) intellectual property	-	-
	(k) other non-current assets	-	-
2.2	Proceeds from disposal of:		

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(l) entities	-	-
	(m) businesses	-	-
	(n) property, plant and equipment	-	-
	(o) investments	-	-
	(p) intellectual property	-	-
	(q) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) investing activities**	-	-

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(2,660)	(2,660)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (payment for right-of-use asset)	(86)	(86)
3.10	**Net cash from / (used in) financing activities**	**(2,746)**	**(2,746)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	36,631	36,631
4.2	Net cash from / (used in) operating activities (item 1.8 above)	(9,225)	(9,225)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2,746)	(2,746)
4.5	Effect of movement in exchange rates on cash held	(302)	(302)
4.6	**Cash and cash equivalents at end of period**	**24,358**	**24,358**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	24,358	36,631
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**24,358**	**36,631**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	614
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end[1,2] $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	42,998	28,666
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	42,998	28,666
7.5	**Unused financing facilities available at quarter end**		14,332

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7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

(1) Facility is with Kreos Capital VII (UK) Limited ("Kreos") for a loan facility of up to the euro equivalent of US$30 million. Tranche A of US$20M was drawn on 10 June 2025 and a further US$10M (Tranche B) may be drawn down up to 1 October 2026 subject to draw down conditions, which are fully disclosed in the Company's Annual Report, Note 10. Due to these draw down conditions, no portion of this facility was available for Tranche 2 on 30 September 2026. The loan is secured by the assets of Botanix and its subsidiaries. Kreos had the option to convert part of the loan into fully paid ordinary shares in the Company under certain conditions. Interest on the facility is 9.95% per annum. Maturity date of 1 October 2028 for Tranche A and 1 July 2029 for Tranche B.

(2) As noted above, the availability of Tranche B expired 1 October 2026 subsequent to quarter end.

Refer to ASX Release 10 June 2025 Botanix Signs Debt Facility with Kreos Capital and the Company's Annual Report, Note 10 released 29 August 2025.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.8)	(9,225)
8.2	Cash and cash equivalents at quarter end (item 4.6)	24,358
8.3	Unused finance facilities available at quarter end (item 7.5)	14,332
8.4	Total available funding (item 8.2 + item 8.3)	38,690
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	4.19(1)

(1) As noted above access to the facilities in section 7 expired on 1 October 2026, subsequent to quarter end, and were not drawn. Where the available, unused finance facilities in the calculation of 8.5 are excluded, the Company still has greater than 2 quarters cash reserves remaining.

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 27 October 2026

Authorised by: the Board of Botanix Pharmaceuticals Limited

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