10 June 2025

Botanix Signs Debt Facility with Kreos Capital

Key highlights

- **Botanix has worked with Kreos Capital to establish a ~A$48 million (US$30 million) debt facility**
- **The new debt facility will be available to Botanix for working capital purposes for the commercialisation of *Sofdra*™, as well as other platform expansion opportunities**
- **Following the recent A$40M capital raising and cash on hand at the end of the last quarter (~A$28M), Botanix is well positioned to execute on its commercialisation and development plans**

Philadelphia PA and Phoenix AZ, 10 June 2025: Clinical dermatology company, Botanix Pharmaceuticals Ltd (ASX: BOT, "**Botanix**" or "the **Company**"), is pleased to announce that the Company and its wholly owned subsidiary Botanix Pharmaceuticals, Inc. ("**Borrower**") have entered into documentation with Kreos Capital VII (UK) Limited and its related entities (**"Kreos Capital"** or "**Lender"**) for a loan facility of up to the euro equivalent of US$30 million ("**Facility"**).

Headquartered in London, Kreos Capital is a leading provider of growth and venture debt financing to companies in the technology and healthcare industries. In August 2023, Kreos Capital was acquired by BlackRock Inc. The Facility provides for an initial tranche of ~A$31 million (US$20 million) available upon closing and anticipated to be drawn down today ("**Tranche A"**) and a further ~A$15.5 million (US$10 million) ("**Tranche B"**) available to be drawn down up to and including 1 October 2026 subject to draw down conditions. The Facility is subject to financial, corporate and operating covenants customary for these types of arrangements.

Any funds drawn down under the Facility will be used for general working capital and other permitted commercialisation and platform expansion purposes. The loan is secured by the assets of Botanix and its subsidiaries. Kreos Capital has the option to convert part of the loan into fully paid ordinary shares in the Company ("**Shares"**) under certain conditions (refer to Appendix 1 to this announcement).

The Facility enhances Botanix's financial flexibility to support its growth and strategic initiatives and follows the recent successful A$40 million capital raising conducted by the Company to accelerate the commercial launch of *Sofdra*™ (sofpironium) topical gel, 12.45% as outlined in the investor presentation announced on 15 April 2025.[1] Combined with the cash on hand at the end of the last quarter (~A$28 million), Botanix is well funded to support *Sofdra* through to profitability and to opportunistically pursue expansions to the platform.

A summary of the material terms of the Facility is set out in Appendix 1 to this announcement.

In conjunction with the Facility, the Company will issue to Kreos Capital warrants to acquire Shares each with an exercise price of A$0.33 and with an expiry date five years from the date of issue ("**Warrants"**), subject to the terms of the Warrant instrument. 3,030,303 Warrants will be issued on

[1] Botanix ASX announcement "*Botanix $40 million Capital Raising for Sofdra Rollout*" released on 15 April 2025.

the Tranche A drawdown of the Facility (anticipated to be today) and a further 1,515,151 Warrants will be issued on satisfaction of the Tranche B drawdown conditions. The Warrants will be issued from Botanix's available placement capacity under ASX Listing Rule 7.1. A summary of the material terms of the Warrants is also set out in Appendix 1 to this announcement.

Botanix Executive Chairman, Vince Ippolito, commented*: "We are pleased to work with Kreos Capital in relation to the Facility and appreciate the opportunity to do business with one of the world's leading debt providers with more than 25 years of experience.*

"The flexibility provided by the Facility will allow us to make rapid decisions to support the acceleration of Sofdra sales and move quickly to expand the platform as opportunities present themselves over the coming year."

The closing of the Facility follows the successful commercial launch of *Sofdra*™ as outlined in the investor presentation announced on 15 April 2025[2] and after the Botanix team has been fully hired and established to support the expansion of product sales and marketing. *Sofdra*™ sales continue to grow, and the Company is well positioned to drive *Sofdra*™ forward and opportunistically grow the platform.

This ASX announcement is authorized for release by the Board.

About Botanix Pharmaceuticals

Botanix Pharmaceuticals Limited (ASX:BOT) is a dermatology company based in Philadelphia and Phoenix (US) which has received FDA approval for its lead product *Sofdra*™ 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: http://www.botanixpharma.com/

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[2] Botanix ASX announcement "*Botanix $40 million Capital Raising for Sofdra Rollout*" released on 15 April 2025.

Cautionary Note on Forward-Looking Statements

Any statements in this press release about future expectations, plans and prospects for the Company, the Company's strategy, future operations, and other statements containing the words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions, constitute forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: the Company's ability to successfully develop its product candidates and timely complete its planned clinical programs, the Company's ability to obtain marketing approvals for is product candidates, the expected timing and/or results of regulatory approvals and the outcome and effects of *Sofdra* and the market for *Sofdra*. In addition, the forward-looking statements included in this press release represent the Company's views as of the date hereof. While the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date hereof.

Appendix 1:

Key terms of the Facility

Facility	Up to the amount in Euros determined in accordance with the Facility agreement (**Euro Equivalent**) of US$30 million in two tranches: (1) Tranche A: US$20 million available upon closing and anticipated to be drawn down today and (2) Tranche B: US$10 million available up to 1 October 2026 subject to satisfaction of draw down conditions.
Term and Tranches	Tranche A: 1 October 2028 (interest only till 1 April 2026). Tranche B: 1 July 2029 (interest only till 1 January 2027). The interest-only periods may be extended (by between 6 and 12 months for Tranche A and 6 months for Tranche B), subject to satisfaction of certain conditions.
Use of Funds	For the purposes of general working capital and other permitted purposes.
Interest	9.95% per annum.
Security	The Facility is secured by: 1. the assets of Botanix Pharmaceuticals Ltd; and 2. the assets and shares of each of Botanix GD Inc, Botanix SB Inc and Botanix Pharmaceuticals, Inc.
Conversion	At any time, the Lender may elect to convert up to 20% of the total principal amount drawn down after deducting any principal amounts repaid or prepaid (and any principal amount already converted into Shares) (**Available Conversion Amount**) into Shares in the Company (**Conversion Shares**) at the Conversion Price. The Conversion right may only be exercised twice and is non-transferable. The Conversion Price will be the Euro Equivalent of 130% of A$0.33. Any Conversion Shares will be issued from Botanix's available placement capacity under ASX Listing Rule 7.1.
Repayment	Each Tranche has an initial interest-only period followed by 30 monthly payments of principal and interest for each Tranche.
Prepayment	The Borrower may (subject to certain restrictions and conditions) prepay the Facility, in whole or in part. Where the Borrower prepays the Facility, the Lender may elect to convert such amount of the Facility specified in the prepayment notice up to the lesser of (A) 20% of the principal amount of the Facility to be prepaid and (B) the Available Conversion Amount into Warrants (**Prepayment Loan Warrants**). The terms of any Prepayment Loan Warrants issued will be substantively in the form of the Warrants. Any Prepayment Loan Warrants will be issued from Botanix's available placement capacity under ASX Listing Rule 7.1.
Covenants	The Facility is subject to financial, corporate and operating covenants customary for these types of arrangements.
Representations, undertakings and restrictions	Customary representations, undertakings and restrictions for a facility of this nature.
Events of default	Customary events of default for a facility of this nature apply, including but not limited to, Botanix failing to pay amounts when due and payable under the Facility, Botanix breaching (and not remedying) a provision of the Facility documentation or there is a change of control of Botanix.

Material terms of Warrants

Number	3,030,303 Warrants will be issued on the Tranche A drawdown of the Facility (anticipated to be today). 1,515,151 Warrants will be issued on satisfaction of the Tranche B drawdown conditions.
Entitlement	Subject to adjustment in accordance with the Warrant instrument (see 'Adjustments' below), the Company will issue one Share in respect of each Warrant.
Exercise Price	A$0.33 per Warrant.
Term and Exercise	The Warrants may be exercised up until the earlier of five years from the date of issue of the Warrants and 3 Business Days after the date on which a change of control takes place. The exercise period may be extended where the Lender seeks to exercise Warrants during the "Closed Periods" set under the Company's Securities Trading Policy or other periods where exercise cannot be affected. The Warrant holder may elect to exercise its Warrants by way of cashless exercise in accordance with a formula typical for such convertible securities.
Transferability	The Warrants may not be transferred other than to an affiliate or related fund of the Warrant holder.
Quotation	The Warrants will not be quoted on ASX. The Company will apply for quotation on ASX of the Warrant Shares issued on exercise of the Warrants.
Adjustments	The Warrants do not confer the right to a change in the Exercise Price, or a change to the number of underlying securities over which they can be exercised, except in the event of a re-organisation event (being a consolidation, subdivision, reduction, cancellation or return of the Company's Shares), a bonus issue or a pro-rata issue by the Company. Any such change will be made in accordance with the ASX Listing Rules applying to such events at the relevant time.
Rights	The Warrants do not confer: a) any dividend entitlements; b) any right to participate new issues of securities to holders of Shares in the Company; c) a right to receive notices of general meetings, nor any right to attend, speak at or vote at general meetings of the Company (except as may be required by law); d) any right to a return of capital, whether in a winding up, upon a reduction in capital or otherwise; e) any right to participate in the surplus profit or assets of the Company upon a winding up, unless and until the Warrants have been exercised and Warrant Shares allotted in respect of the Warrants.
Warrant Shares	The Warrant Shares issued on the exercise of a Warrant will be fully paid ordinary Shares of the Company ranking equally in all respects with ordinary Shares then on issue.
Other	The Warrants contain other customary provisions for a convertible security of this nature.

***Sofdra* Important Safety Information & Indication**

Indication

Sofdra (sofpironium) topical gel, 12.45% is a prescription anticholinergic medicine used on the skin (topical) to treat excessive underarm sweating (primary axillary hyperhidrosis) in adults and children 9 years of age and older.

IMPORTANT SAFETY INFORMATION

***Sofdra* is for use on the skin in the underarm area only. Wash your hands right away after you apply *Sofdra*. Do not touch your underarms after applying *Sofdra*. *Sofdra* is flammable. Avoid heat and flame while applying *Sofdra*.**

Who should not use *Sofdra*?

Do not use *Sofdra* if you have certain medical conditions that can be made worse by taking an anticholinergic medicine such as glaucoma, severe ulcerative colitis (UC) or certain other serious bowel problems associated with severe UC, myasthenia gravis, and Sjogren's syndrome.

What should I tell my healthcare provider before using *Sofdra*?

- **Tell your healthcare provider about all of your medical conditions,** including bladder or kidney problems, problems passing urine, if you are pregnant or breastfeeding, or plan to become pregnant or breastfeed. It is not known if *Sofdra* will harm your unborn baby or pass into your breast milk.
- **Tell your healthcare provider about all the medicines you take,** including prescription and over-the-counter medicines, especially any anticholinergic medicines.

What are possible side effects of *Sofdra*?

Serious side effects may include:

- **Blurred vision.** Stop using *Sofdra*, call your healthcare provider right away, and do not drive or operate machinery or do hazardous work until your vision is clear.
- **New or worsened urinary retention.** Stop using *Sofdra* and call your healthcare provider right away if you experience difficulty urinating, urinating frequently, urination in a weak stream or drips, full bladder or difficulty emptying your bladder.

The most common side effects of *Sofdra* include dry mouth; blurred vision; pain, redness, swelling, itching, and irritation in the underarm area; dilation of the pupils of your eyes (mydriasis); and problems with urination. These are not all of the possible side effects of *Sofdra*. Call your doctor for medical advice about side effects.

You are encouraged to report negative side effects of prescription drugs to the FDA. Visit www.fda.gov/medwatch or call 1-800-FDA-1088. You may also report side effects to Botanix at 1-866-763-6337.

Keep *Sofdra* and all medicines out of the reach of children.