

Futura Medical

Innovating, and adapting, in a new product category

22 April 2025

- 2024 was a year of strategic delivery. Launch of Eroxon, an over the counter (OTC) erectile dysfunction (ED) gel, by its commercial partners in several new territories (including in the US by Haleon) enabled Futura Medical to post a maiden profit. At end-2024, Eroxon was sold in 15 countries across Europe, the Americas, and Middle East. To date, it has generated cumulative revenues of £17m for Futura. Management is working with partners to support future launches, aiming to have Eroxon available in at least 20 markets by end-2025, and implementing commercial learnings to target Eroxon more effectively to those men most likely to benefit. Progress also continues with range extension (Eroxon Intense) and new product (WSD4000) development.
- Futura reported FY24 revenue of £13.9m (FY23: £3.1m), comprising £6.8m in revenues from product sales (including channel fill) and royalties, plus milestone recognition of £7.1m (including the \$5m US launch milestone received in H224). The blended gross margin increased to 70% (FY23: 58%) reflecting the revenue mix, resulting in a gross profit of £9.7m (FY23: profit of £1.8m). Management continues to actively control operating expenditure: R&D investment is focused, and marketing costs are now borne by commercial partners. FY24 profit before tax was £1.3m (FY23: loss of £6.9m), with cash at end-December 2024 of £6.6m (end-December 2023: £7.7m) providing working capital through H226.
- The progress of Eroxon's international commercial roll outs, particularly in the US, remains the focus of investors. Eroxon launches are still at an early stage, with Futura's partners focused on building brand awareness of an innovative product in a new category and adapting the Eroxon marketing strategy in response to learnings that have informed a more targeted approach. Futura Medical confirms that forecasts from partners are encouraging, but limited disclosure due to commercial sensitivities means that attempts to accurately assess Eroxon's sales dynamics (volumes and growth) and to forecast near-term revenues (including potential for milestone receipts) continue to be challenging.

Price	8.88p
Market Cap	£29.6m
Primary exchange	AIM
Sector	Healthcare
Company Code	FUM
Corporate client	Yes

Company description:

Futura Medical is the developer of innovative sexual health products; its core strength is in its research, development, and commercialisation of topically delivered gel formulations. Lead product Eroxon (MED3000) is approved as an OTC product for ED (erectile dysfunction) in Europe and the US.

Trinity Delta view: Futura Medical's investment case centres on the commercial potential of Eroxon, particularly in the US where the market for ED treatments is sizeable and where even modest commercial success could be transformational for Futura. Investor sentiment was dented by the slower than expected sales ramp announced in January's trading statement; however, the company and its commercial partners are working to address this through revised promotional positioning – with partners also committed to at least three years of advertising and promotional spend. Launch data is still early: Eroxon has only been available in most markets for less than 12 months (six months in the US) and several new launches are anticipated during 2025. In addition, the first range extension, Eroxon Intense, is on track for marketing authorisation by end-2025, which could help capture market attention. Mid-term, WSD4000, a topical gel similar to Eroxon, could open an equally attractive novel, and significant female category.

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