AFT pharmaceuticals

Working to improve your health

AFT PHARMACEUTICALS

NZX Presentation

June 2016

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PRESENTING TODAY . . .

Dr Hartley Atkinson

Founder and Chief Executive Officer

Founded AFT in 1997 along with his wife, Marree

Previously Sales & Marketing Director, Medical Director, Product Manager and Medical Manager at Swiss multinational pharmaceutical company, Roche

Malcolm Tubby

Chief Financial Officer

Involved with AFT since its establishment in 1997, providing financial, operational and governance expertise

Experience in senior finance positions in public and private companies in the pharmaceuticals (Allergan), fast-moving consumer goods (Frucor Beverages), insurance and healthcare industries

SUMMARY OF AFT BUSINESS

Established Business [1997] and growing AU & NZ [19% CAGR Last 10 Years]

Growing business in Singapore & Malaysia

Growing outside ANZ & SE Asia via Distributors & Licensees

Clinical Studies of Key Innovative Products
- Maxigesic Tablets – Target Market US$10.4B
- Maxigesic IV – Target Market US$832M
- Maxigesic other oral dose forms – Target Market US$3.7B

MaxiclearPE – Target Market US$1B

Development NasoSURF Medical Device
- Patented Ultrasonic Powered Drug Delivery Device
- Treatment Chronic Sinusitis
- Further Indications.

Listed December 2015
- *NZX*
- *ASX*

FY2016 HIGHLIGHTS

98 countries that *Maxigesic* is licensed in

4 countries that *Maxigesic* is launched and sold in

12 number of clinical studies AFT will have running in FY2017

$65.8m total income for FY2016*

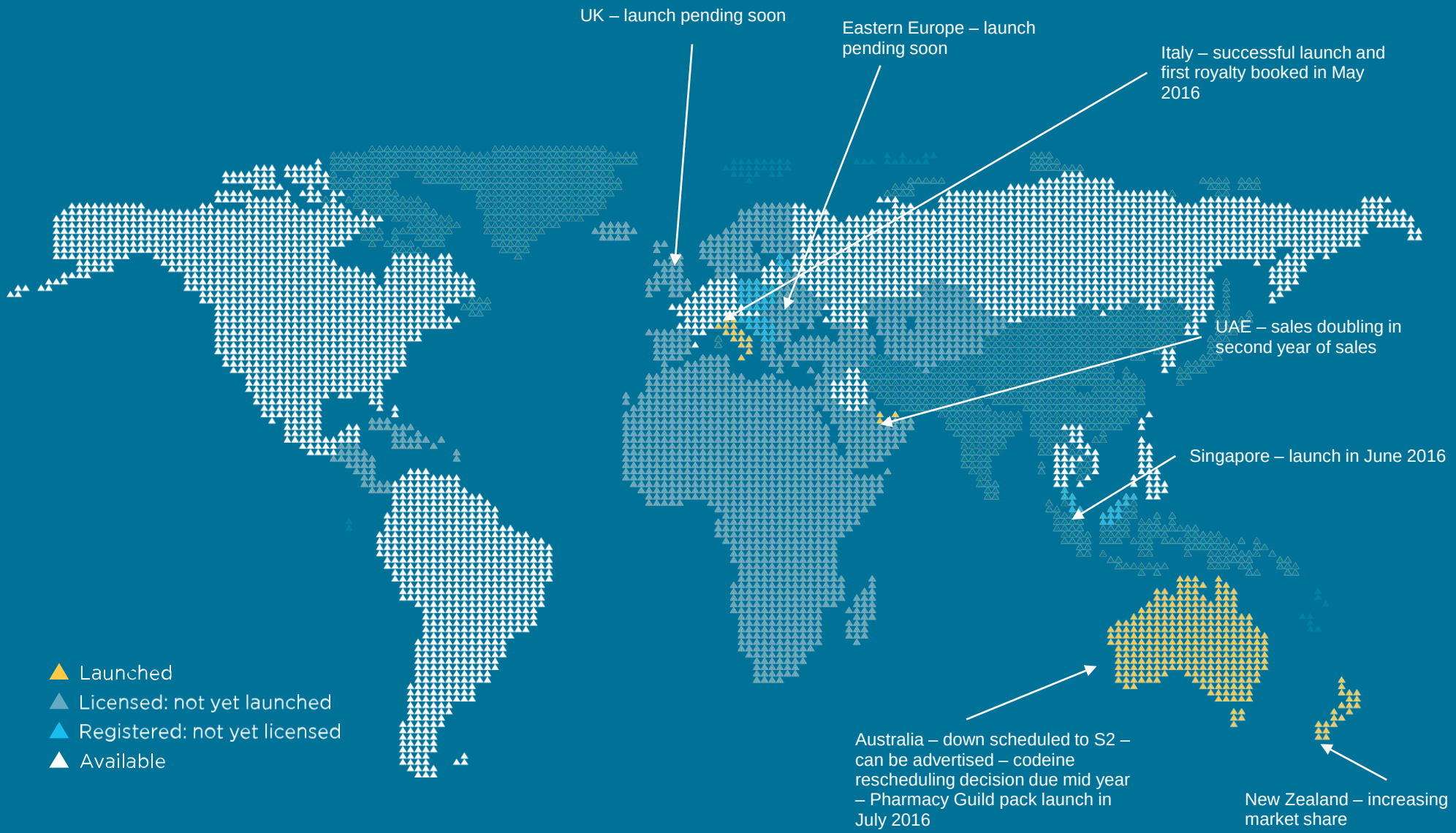
$28.1m available cash as at 31 March 2016

* Total income comprises Operating Revenue of $64.0m and Licensing Income of $1.8m

ACCELERATING CLINICAL STUDY PROGRAM

- 12 studies across the AFT portfolio
- 1500+ patients
- 7 countries - Australia, Jordan, Mexico, New Zealand, Russia, United Kingdom, United States
- Clinical Trials for ***Maxigesic*** oral dose forms are well underway with studies running in Amman, Jordan; various centres in New Zealand; Cardiff, Wales; Melbourne, Australia; Guadalajara; Mexico.
- An IND (Investigational New Drug) Application has been successfully opened with the FDA for ***Maxigesic IV*** and the first clinical study under the IND is underway in Christchurch, New Zealand. The next study is planned to start in 2016 in the United States (Texas and Maryland).
- ***NasoSURF*** Device Clinical Studies to start in 2016
- ***Maxiclear PE*** pivotal study to be completed by the end of 2016

MAXIGESIC UPDATE



MAXIGESIC HIGHLIGHTS

Additional out-licensing and distribution agreements for ***Maxigesic*** oral dose forms have been secured to increase the number of countries to 98 as at 31 March 2016.

Clinical Trials for ***Maxigesic*** oral dose forms are well underway with studies running in Amman, Jordan; various centres in New Zealand; Cardiff, Wales; Melbourne, Australia; Guadalajara; Mexico.

An IND (Investigational New Drug) Application has been successfully opened with the FDA for ***Maxigesic* IV** and the first clinical study under the IND is underway in Christchurch, New Zealand. The next study is planned to start in 2016 in the United States (Texas and Maryland).

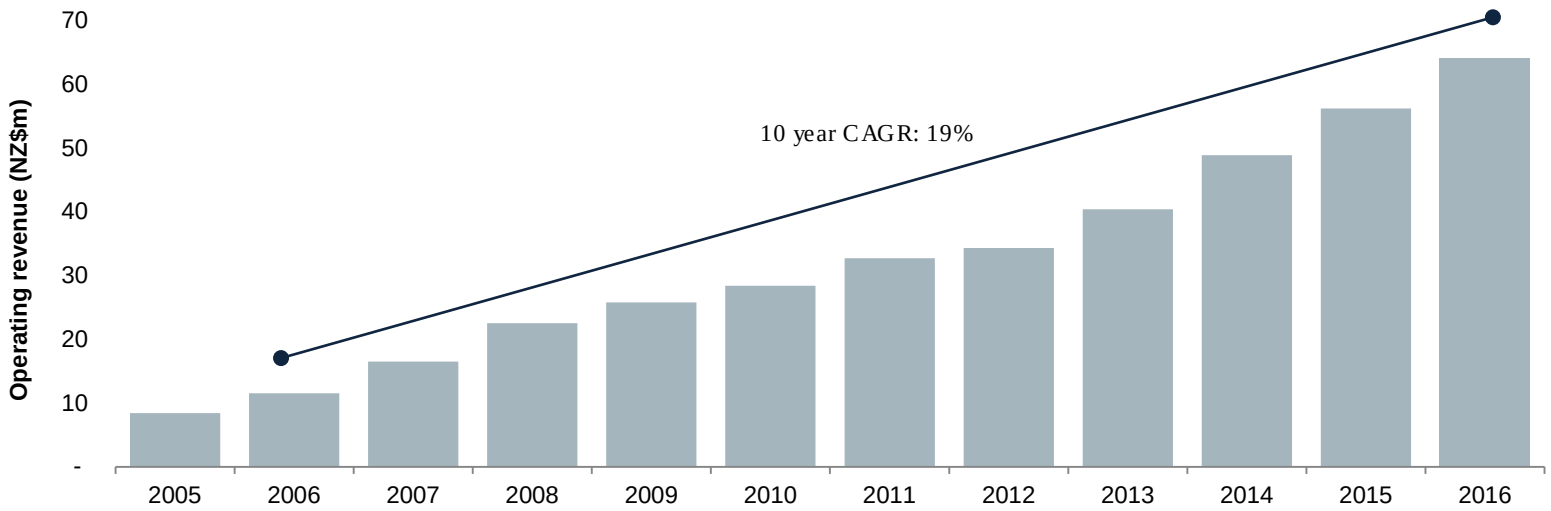
Regulatory applications for the first additional ***Maxigesic*** oral dose forms to be filed from this year.

Additional out-licensing and distribution agreements for ***Maxigesic IV*** have also been secured to now reach 69 countries.

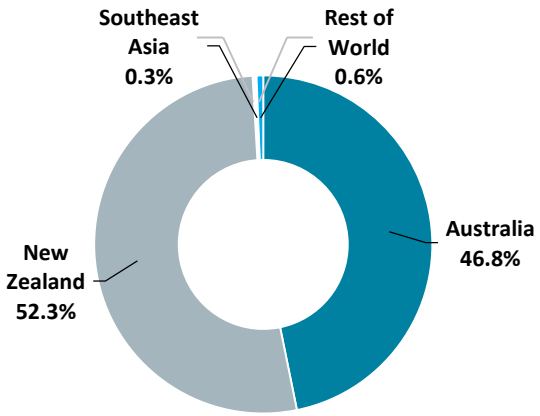
Additional out-licensing agreements are expected to be announced over the coming FY2017 financial year. There are currently 109 countries out-licensed for ***Maxigesic*** oral dose forms and 80 for ***Maxigesic IV*** .

FINANCIAL PERFORMANCE – REVENUE GROWTH

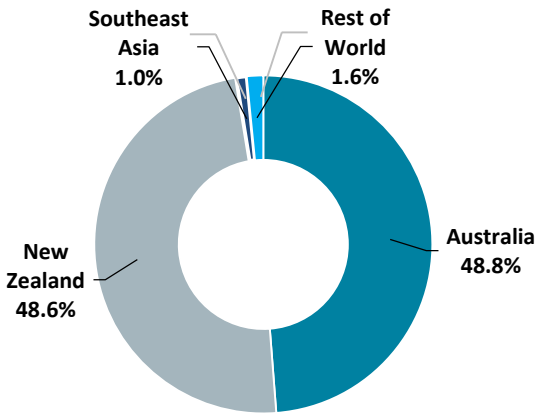
Operating revenue, FY2000 – FY2016



FY2015 Operating revenue by region



FY2016 Operating revenue by region



Southeast Asia

Singapore
10 approved products
12 more in registration
June launches of 4 products

Malaysia
4 approved products
13 more in registration

Rest of World

Increasing launches
7 countries in Q2-3 FY2016

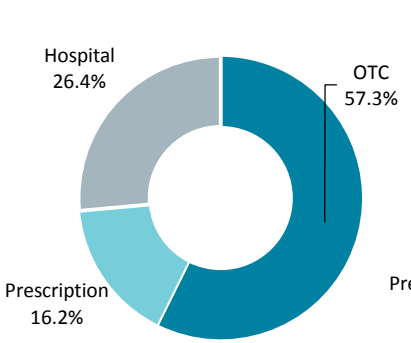
FINANCIAL PERFORMANCE – REVENUE BY REGION AND CHANNEL

Operating revenue by region, FY2014 – FY2016

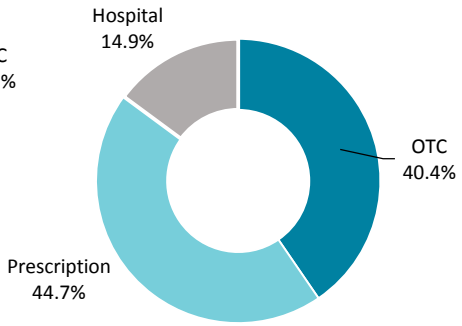
NZ$000's, year ended 31 March	2014	% of total	2015	% of total	2016	% of total
Australia	20,035	*40.9%*	26,324	*46.8%*	31,224	*48.8%*
YoY Growth	-		*31.4%*		*18.6%*	
New Zealand	28,790	*58.8%*	29,398	*52.3%*	31,135	*48.7%*
YoY Growth	-		*2.1%*		*6.0%*	
Southeast Asia	-	-	161	*0.3%*	648	*1.0%*
YoY Growth	-		-		*302.5%*	
Rest of World	114	*0.2%*	358	*0.6%*	1,008	*1.6%*
YoY Growth	-		*214.0%*		*181.6%*	
Total Operating Revenue	**48,939**	***100.0%***	**56,241**	***100.0%***	**64,014**	***100.0%***
YoY Growth	**-**		***14.9%***		***13.9%***	

Operating revenue by channel by region, FY2016

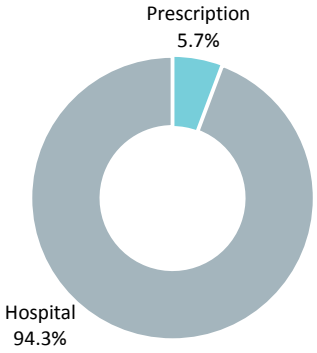
Australia



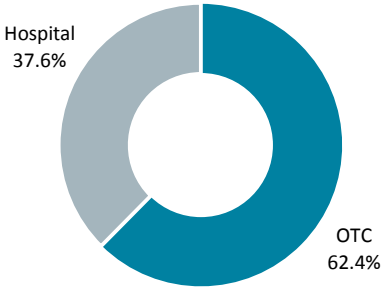
New Zealand



Southeast Asia



Rest of World



NASOSURF NEBULISER
DRUG DELIVERY AND TREATMENT SINUS CONDITIONS

Product description	A handheld ultrasonic nasal mesh nebuliser for the intranasal delivery of medication and treatment of chronic sinusitis
Rationale for investment in product	• To expand our existing allergy and hospital product ranges locally • Significant global potential
Current status	• Under development • Pilot scale production underway (May 20 units; July 100 units; August 300 units)
Our near term plans	• FDA pre-IND meeting in preparation (Aug-Sep 2016) • Distribution studies – healthy volunteers (Q3 2016) – patients (Q3-4 2016) • First Drug PK studies (Q3-4 2016) • First Drug Clinical Studies (Q4 2016 – Q1 2017) • Register a Class I medical device (Q1 2017) • Post Sinus Surgery studies (Q4 2016 – Q2 2017) • Drug delivery use sales (Class IIa) late 2017 early 2018 • First drug delivery indication a significant potential market – US$1.2B in USA alone

The Naso*SURF* Nebuliser has desirable features over currently marketed nebulisers, which are not approved for delivery of specific drugs intranasally and do not possess a number of the advantages of the Naso*SURF* Nebuliser

Sales will be generated from

1) device sales,

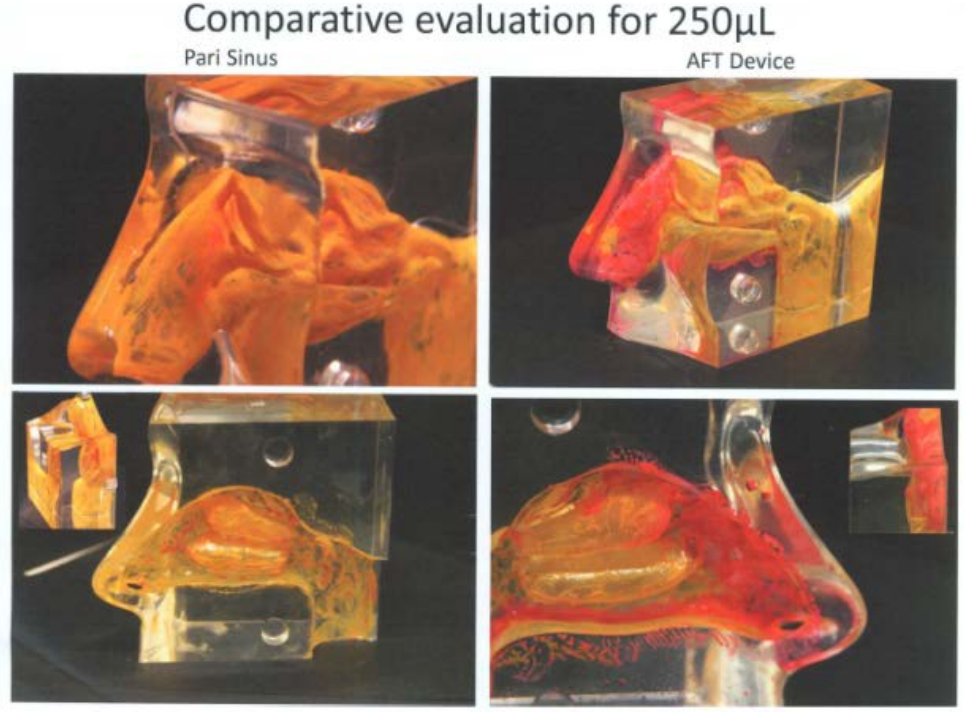
2) a per use charge administered through RFID (radio frequency identifier) cards, and

3) consumables

NASOSURF VERSUS GERMAN GOLD STANDARD

Naso*SURF* vs Pari Sinus

IntraNasal Distribution

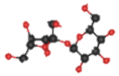


SUMMARY OF NEAR TERM PLANS

Launch *Maxigesic* in new countries

Advance *Maxigesic* registrations in North America
Further licensing agreements

Advance clinical studies of key innovative products



NasoSURF clinical trials with pilot devices
Achieve first registrations for *NasoSURF* as a Medical Device

Build revenues of new OTC products launched in Australia
Build *Maxigesic* market share post scheduling changes

Launch OTC products in Southeast Asia
Complete further registrations and launches