



AFT Pharmaceuticals Annual Meeting 2025 – Chairman’s Address

Milford Cruising Club

Friday, 1 August 2025, 10.30am (NZT).

Building the foundation for the next phase of growth

It is my pleasure to report another strong year for AFT Pharmaceuticals, marked by continued growth, strengthened financial performance, and significant strategic advances in key global markets.

Our achievements this year reflect the robust foundations we've established for our next growth phase and extend our long-standing record for uninterrupted growth.

Firstly, I am pleased to report that this year our revenue surpassed the significant milestone of \$200 million for the first time, achieving total sales of \$208 million.

Our core Australasian business remains robust and continues to be the cornerstone of our financial strength, with Australia and New Zealand collectively delivering sales of \$181 million. The strength of these markets positions us well as we advance towards our ambitious goal of reaching \$300 million for the 2027 financial year.

Geographically, we have significantly expanded our presence and market capabilities in strategically important regions including North America, Europe, Asia, and Africa.

Our operations in the UK, Europe, the US, Canada, and South Africa have moved from establishment to development. These global hubs position us effectively to capitalise on substantial commercial opportunities in those markets - while also mitigating risks associated with reliance on any single market or territory.

We are particularly excited about our potential in North America. In the US — the world’s largest pharmaceuticals market — we have launched both the intravenous and tablet form of our pain relief medicine Maxigesic – which is marketed as Combogesic in North America.

We have also restructured our distribution arrangements in the United States which we believe will maximise both the commercial and patient care benefits

that come with following the intravenous form of the pain relief medicine in postoperative care with the Combogesic Rapid tablet form of the medicine. We have also just in July began sales of Maxigesic IV in Canada.

Together the North American market of the United States and Canada offer a combined addressable market opportunity in excess of US\$8billion

We are making progress globally – both with our operational hubs and through our distribution arrangements. Progress has been slower than planned, but we are working hard to increase sales and are confident that we will see significant revenue growth across both distribution channels over the next 12-18 months.

In line with our geographic expansion, our product development pipeline remains dynamic and offers diverse products that are progressing well towards market readiness. We have eight patented products in active research and development, an improved migraine treatment formulation and we are progressing 24 off-patent injectables in several markets including through our global hubs.

These products collectively offer significant global market opportunities.

We also have five advanced research and development programmes now entering commercialisation across multiple international markets.

These include multiple dose forms of Maxigesic, our anti-bacterial cream Crystaderm, Micolette our micro-enema for bowel obstruction, capsaicin cream for treatment of osteoarthritis pain and neuropathic pain and Kiwisoothe® tablets and sachets. Together these projects demonstrate our continued capability to deliver innovative healthcare solutions that meet real clinical needs globally. We believe that our investment in research and development will lead to significant opportunities – and Hartley will discuss these in more detail in his presentation.

Inflection yields a balance of growth and return

Financially, we have balanced these strategic investments with continued enhancement of our financial position. Despite sustained investment in our future growth, we have consistently increased shareholder equity while also managing our net debt.

Specifically, our net debt at year-end reduced to \$14.5 million from \$16.2 million in the prior year, well within our targeted range. Reflecting the strength of our financial position and your Board's confidence in our future outlook, we have declared an increased dividend of 1.8 cents per share, up from 1.6 cents per share the previous year.

I want to comment on our share price performance.

We do not believe the current share price reflects our considerable achievements, the company's decades-long record of growth, the depth of the company's development portfolio, nor the considerable potential we see as the company establishes a stronger presence around the world.

We understand some of the reasons for this. We have experienced some unexpected headwinds, such as the client destocking and a doctors' strike that disrupted first-half earnings in the 2025 financial year but importantly this was followed by strong second-half earnings.

Overall, we have chosen to invest earnings into growth projects rather than focus purely on short-term profitability. We make no apology for this. AFT has achieved an enviable record of growth precisely because of our long-term perspective and our commitment to creating enduring value.

We are always attentive to finding ways to improve the information that we provide to shareholders so they can better appreciate our future potential and the rationale for our investments. Today, for instance, as I mentioned earlier, we are releasing more information to our investors on our development portfolio with a goal to better illustrate the value we are creating.

We have also this year begun giving quarterly updates to investors to better illustrate our progress and we have initiated an outreach programme to enhance investor engagement in Australia.

We believe these efforts are gaining some traction. We will continue to focus on growth, both with existing products in a broader range of markets, and new products from our R & D pipeline.

Governance and Sustainability

AFT remains committed to best practice governance standards and operating sustainably.

We are developing a significant number of innovative products for patients in real need that larger pharmaceutical companies would likely not undertake. However, these still also offer an interesting market opportunity. We have aligned our business and community initiatives with the United Nations Sustainable Development Goals and have focussed in particular on the six initiatives set out on this slide. More information on each of these priorities is set out in our Annual Report.

This year, we welcomed Allison Yorston to our Board as an Independent Non-Executive Director. Allison brings over two decades of experience in blue-chip fast-moving consumer goods, telecommunications, and retail marketing. Her insights and market expertise are making a valuable contribution to the company and Allison's skill set rounds out our board expertise. The board hopes you will support her election today.

It is with deep sadness that I also acknowledge the passing of our former colleague, Dr Doug Wilson, earlier this year. Doug served as an Independent Non-

Executive Director from 2012 until his retirement in 2022, significantly influencing AFT's strategic direction and development during a critical period of growth.

Doug was widely recognised for his expertise in pharmaceutical innovation, and healthcare development. Beyond his contributions to AFT, he was also a celebrated broadcaster, author, and a respected member of our wider community. His wisdom, experience, and friendship will be deeply missed by all who had the pleasure of working alongside him and we sincerely really appreciated his guidance.

As we look ahead, we remain optimistic despite the complexities of the global trading environment. Our geographic diversification, robust product pipeline, and solid market positioning provide us with a strong foundation to continue our trajectory of sustainable growth.

Our target revenue goal of \$300 million for FY27 is ambitious but we believe it is achievable, supported by ongoing significant investments into market expansion.

In closing, I wish to extend my sincere thanks to my fellow Board members for their support and guidance.

I would also like to thank our CEO Hartley Atkinson, our Chief of Staff Marree Atkinson, our executive team, and our hard working, diverse and committed employees, whose tireless efforts have made these achievements possible.

Lastly, many thanks to you, our shareholders, for your continued confidence, support, and trust in our vision and strategic direction.

I will now invite Hartley to discuss our performance and prospects in greater detail. Thank you.