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20 NOVEMBER 2025

FINANCIAL RESULTS FOR THE SIX MONTHS TO 30 SEPTEMBER 2025

AFT delivers 10th consecutive first half revenue increase

AFT Pharmaceuticals (NZX: AFT, ASX: AFP) today reports a strong first-half performance for the six months to 30 September 2025, with revenue growing 33% over 1H 25 to reach a record \$114.9 million as its investments for growth deliver.

Growth — the 10th consecutive period of first half-year revenue increasing against the same period of the prior year since listing on the NZX — was led by Australia and was supported by the strong performance of Asian and International markets, which have now fully recovered from the one-off disruptions in 1H 25.

AFT continues to make good progress advancing the development of our International business hubs in markets that share similar characteristics with its highly successful Australasian operations. It has also advanced the company's research and development (R&D) portfolio, and its active out and in-licensing programs which continue to position the company for long term growth.

AFT remains focused on delivering against its target of \$300 million revenue for the FY 27 financial year, while balancing disciplined investment to support long-term value creation.

HIGHLIGHTS

- Half-year operating revenue rises 33% to \$114.9 million¹, reflecting strong growth in Australia, the benefits of a recovery from the one-off disruptions of 1H 25 and strong growth in Asia and International markets
- EBITDA² of \$6.6 million and operating profit of \$4.7 million up from prior period losses amid ongoing investment in International business hubs and R&D. Net profit after tax of \$2.7 million

¹ All comparisons are to the six months to 30 September 2024 unless otherwise stated.

² EBITDA is a non-GAAP measure of performance. It is defined and reconciled to GAAP measures on page [XX] of the investor presentation released to the NZX and ASX today.

- Balance sheet remains strong with net debt of \$20.9 million³ within target range
- Licensing: multiple out-licensing agreements executed in the period; pipeline of further agreements and term sheets progressing, including the licensing of our novel IV iron formulation in China
- R&D: positive progress across late-stage assets, including the IV iron programme, antibiotic eyedrop and topical strawberry birthmark candidates
- Outlook: on track to deliver FY 26 operating profit guidance of \$20 million to \$24 million and to further advance the multi-year growth strategy

A video of AFT Pharmaceuticals Co-Founder and Managing Director Dr Hartley Atkinson discussing these results can be found at the following link: <https://youtu.be/1o4LxkcAQ9g>

AFT Pharmaceuticals Chair David Flacks said: “This first-half result demonstrates continued execution against our strategy and the impact of a return to normalised trading conditions in Asia and in our international business.

“We have continued to invest in the portfolio and in our international platforms to support a larger, more diversified and resilient AFT. That focus — on disciplined growth and long-term value creation — remains unchanged as we progress towards our FY27 revenue target of \$300 million.”

Dr Atkinson said: “We have seen solid performance across all regions with results being particularly pleasing in our largest market, Australia. I am also delighted with the progress we are making in our International markets and in the development of our own innovative intellectual property.

“We expect our business hubs in the United Kingdom and South Africa to begin to contribute to earnings in the second half of the year, validating the potential we see in these markets and our investment in them.

“We meanwhile are seeing continuing strong interest in our development portfolio with an out-licensing agreement for our novel iron therapy secured in China, the world’s second largest pharma market after the end of the period. We are excited about the expanding prospects for our company.”

FINANCIAL PERFORMANCE

Revenue grew by 33% to \$114.9 million from \$86.7 million in 1H 25. Growth was driven by the Australian business, up 31% to \$66.5 million with solid performances across key OTC and pharmacy brands and continued uptake in prescription medicines.

³ This figure excludes related party loans

It was also supported by an improving contribution from the International business (up 133% to \$12.9 million) and Asia (up 69% to \$7.5 million) as the one-off factors that affected 1H25 trading — a doctors' strike in Korea and international customer de-stocking — were resolved in 2H 25.

Gross margin was 43.2%, reflecting a small increase in margin from product sales and royalties and \$1.8m additional license income on commercial sales.

Operating expenses increased 18% as the company continued to fund growth initiatives from its own resources, including: (i) start-up and scaling costs for the business hubs in North America, the UK/Europe and South Africa; (ii) brand and market entry investments to support recent and upcoming launches; and (iii) higher R&D expenses to advance late-stage projects.

The resulting operating profit was \$4.7 million, up \$6.5 million from a \$1.8 million loss in 1H 25. EBITDA was \$6.6 million, up \$7.3 million from a \$0.7 million loss in 1H 25. Net profit after tax was \$2.7 million from a \$2.5 million loss in 1H 25.

Further information on the performance in the regions is provided in the FY 26 Interim Report and Investor Presentation released in conjunction with these results.

RESEARCH AND DEVELOPMENT

R&D expenditure (expensed and capitalised) in the half year was \$9.5 million up from \$8.9 million in 1H 25 as we advanced a diversified portfolio of development projects spanning pain, dermatology and eyecare. We also made notable progress across several late-stage programmes:

- Intravenous iron: Following the positive Phase III trial, AFT and its development partners are now preparing to commence a large global Phase III confirmatory study of ~1,000 patients. Two additional patent applications have been filed to further protect the asset.
- Antibiotic eyedrop: The pre-IND application⁴ has been filed with the US FDA, with IND submission targeted early next financial year to enable first-in-human studies. The product seeks to address drug-resistant ocular infections for which registered therapies are limited. Current treatments are primarily prepared by compounding pharmacies which is not desirable, especially for eyecare products where full GMP sterility is a crucial factor.
- Topical strawberry birthmarks: The pre-IND has been prepared and filed; FDA feedback has been received which guides the IND submission pathway and Phase I, II and III study designs.
- Maxigesic IV paediatric: We are preparing to commence a Maxigesic IV study for paediatric populations, following FDA approval of our paediatric study

⁴ IND: Investigational New Drug application.

plan. Our medicine offers a new option for pain care in children, who have fewer safe and effective options for managing pain compared to adults, particularly in hospital settings.

We have progressed out-licensing discussions — securing five agreements in the 1H 26 period. A key achievement has been the out-licensing agreement for our novel IV iron therapy for China⁵ which was secured after the 1H 26 period.

The agreement, with Chengdu-based Grand Life Sciences Group, a top five Chinese pharmaceutical company by sales revenue, features upfront, development and sales milestone payments as well as recurring royalties. This revenue will be shared between AFT and its development partners. Grand Life Sciences will also contribute to funding the global clinical development program.

We also advanced our in-licensing programme to deepen our product portfolio. A number of products in-licensed are now either in registration or are being prepared for regulatory filing. In many cases we have secured in-licensing across multiple territories to include the AFT business hubs, further advancing the leverage we gain from these activities.

Collectively, the R&D and business development programmes will support multiple launches over the next several years, broadening our product portfolio and increasing both the size and the diversity of revenue through direct sales and through licensing and royalty income.

INTERNATIONAL DEVELOPMENT

AFT continues to direct significant effort towards the development of sales in the international business hubs, which share the characteristics of our highly successful Australasian operations.

United Kingdom

We are pleased with the progress we are making in this market and expect operations to reach breakeven in the second half of this current financial year. We continue to focus upon growing the Combogesic tablets and IV brands.

A recent success has been the addition of Combogesic IV to the formulary of London Northwest University Healthcare NHS Trust. This trust covers Ealing Hospital and the Northwick Park Hospital, which hosts the UK's largest and busiest Accident and Emergency Department. A significant number of regulatory filings are underway for both AFT proprietary products and new products we have in-licensed to the UK, supporting a strong product launch pipeline.

⁵ Licensing negotiations enabled by Ms Hong Xie, Pharma China Consulting

Canada:

We launched our first product, Combogesic IV in 1H 26 and we are planning additional launches in 2H 26. Our team, led by experienced Canadian pharma executive, Sylvain Desjeans, is now fully operational. We continue to work on a significant number of regulatory filings in the 2H 26 time period in order to further expand our product portfolio in Canada.

South Africa:

We accelerated our product launch schedule in this market from four to eighteen products in the latter part of this financial year with this increase related to acquiring some additional product licenses. This will significantly accelerate sales growth in the next financial year. The business is expected to start to contribute to group earnings in 2H 26. Our South African team is in place, led by experienced South African pharma executive, Deon Hall.

BALANCE SHEET

AFT remains well funded, with net debt of \$20.9 million at 30 September 2025 (\$18.9 million, 30 September 2024), within our target leverage range and reflecting continued investment in growth. Discussions on renewal of the banking facility are well advanced. Inventory was \$58 million, managed prudently against normalising supply chains and the anticipated launches in the second half.

OUTLOOK

Consistent with prior years, AFT expects second half sales and earnings to be greater than the first half of FY 26 supported by a strong programme of launches in International markets, continued expansion in the Australasian portfolio, and increasing contributions from the company's international business hubs as they scale.

AFT remains focused on disciplined execution: converting R&D progress into value through clinical and regulatory milestones; advancing out-licensing to monetise our IP; and deepening in-licensing to add attractive, strategically aligned products in priority markets.

Our R&D and international expansion efforts come at the expense of short-term earnings, but they will support the extension of AFT's decades-long record of delivering uninterrupted growth and shareholder value creation. They will also deliver the product and geographic diversification that underpins the resilience of the business.

AFT remains on track to deliver a FY 26 operating profit within the previously outlined range of \$20 million to \$24 million. The company also reiterates its confidence in its pathway to \$300 million annual revenue in FY 27, supported by

the launch schedule, our licensing programme, the scaling of international hubs and continued geographic expansion.

Released for and on behalf of AFT Pharmaceuticals Limited by Malcolm Tubby, Chief Financial Officer.

For more information

Investors

Dr Hartley Atkinson
Managing Director
AFT Pharmaceuticals
Tel: +64 9 488 0232

Media

Richard Inder
The Project
Tel: +64 21 645 643

About AFT Pharmaceuticals

AFT is a growing New Zealand-based multinational pharmaceutical company that develops, markets and distributes a broad portfolio of medicines across OTC, prescription and hospital channels. The portfolio comprises proprietary and in-licensed products across pain management, dermatology, eyecare, allergy, gastro and other categories. AFT commercialises products directly in Australia, New Zealand, Singapore, Malaysia, Hong Kong, the US, Canada, the EU (ex Ireland) and the UK, and out-licenses to partners in more than 125 countries.

For more information, visit www.aftpharm.com.