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Court of Appeal dismisses PBL Port Wine Stain profit claim

AFT Pharmaceuticals (NZX: AFT; ASX: AFP), New Zealand's largest domestic pharmaceuticals company, today notes a Court of Appeal judgment dismissing the other party's appeal from a 2023 High Court judgment dismissing its claim for a share of any profits earned by AFT from the use of its topical skin medicine Pascomer as a treatment for Port Wine Stains (PWS).

In a judgment released yesterday, the Court of Appeal has dismissed a claim that AFT be required to share with PBL Solutions Limited (PBL) any profit which AFT may earn from the application of Pascomer for the treatment of non-orphan¹ conditions such as PWS. PWS is potentially a much larger market than the Facial Angiofibroma orphan indication by virtue of circa 36 times more potential patients.

PBL is a company associated with a former contractor to AFT and is a 35% shareholder in AFT Orphan Pharmaceuticals Limited, a company created to pursue orphan applications.

AFT will continue to provide an account to PBL for any profits (if any) earned for orphan drug applications of Pascomer and will share 35% of those profits with PBL. PBL and AFT will share costs related to the appeal.

AFT continues to review the judgment and will be making no further comment at this time. The judgment itself is confidential to the parties pending their review for any confidential information prior to its release. The company does not expect the judgment to have a material effect on AFT's FY 2026 earnings guidance.

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

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¹ Orphan drugs are medicines developed for the treatment rare diseases and potentially qualify for an orphan drug designation which can result governments providing incentives and offering exclusivity for the treatment of the conditions with the goal of making the drug commercialisation for the applications attractive.

About AFT Pharmaceuticals

AFT is a growing New Zealand based multinational pharmaceutical company that develops, markets, and distributes a broad portfolio of pharmaceutical products across a wide range of therapeutic categories which are distributed across all major pharmaceutical distribution channels: over the counter (OTC), prescription and hospital. Our product portfolio comprises both proprietary and in-licensed products, and includes patented, branded, and generic drugs². Our business model is to develop and in-license products for in our markets of Australia, New Zealand, Singapore, Malaysia, Hong Kong, USA, Canada, EU ex Ireland and UK, and to out-license our products to local licensees and distributors to over 125 countries around the world. For more information about the company, visit our website www.aftpharm.com.