



Working to improve your health

21 MAY 2026

FINANCIAL RESULTS FOR THE YEAR TO 31 MARCH 2026

AFT delivers double digit revenue growth and record earnings

Operating profit of \$24.4 million ahead of the guidance range

HIGHLIGHTS

- Full year operating revenue up 22%¹ to \$254.7 million (FY25: \$208.0 million), driven by double-digit sales growth across all territories
- Product sales and royalties up 21% to \$251.6 million (FY25: \$207.4 million), supported by growth in Australia (19%), a 66% lift in international and 41% in Asia
- Licensing income of \$3.1 million (FY25: \$0.7 million), reflecting increasing momentum in out-licensing and milestone activity
- EBITDA of \$28.8 million (FY25: \$20.9 million) and operating profit of \$24.4 million (FY25: \$17.6 million) as earnings growth offset significant investment in international business hubs and R&D
- Net profit after tax increased 24% to \$14.1 million (FY25: \$11.4 million)
- Balance sheet remains strong. Net debt of \$38.6 million (FY25: \$14.5 million), as the company expanded working capital and acquired existing products in South Africa reflecting continued investment in growth
- Dividend of 2.5 cents per share declared (FY25: 1.8 cents per share), reflecting confidence in the company's outlook
- Ongoing significant investment with FY27 guidance for increased operating profit of \$28 million to \$32 million; targeting \$300 million plus revenue for FY27

AFT Pharmaceuticals (NZX: AFT; ASX: AFP), New Zealand's largest locally based pharmaceuticals company², today announces it is targeting revenue in excess of \$300 million in FY27 after reporting double digit growth across all its territories in the year to end of March 2026

It also announces FY26 operating profit at a record of \$24.4 million and ahead of its guidance range of \$20 million - \$24 million

AFT Pharmaceuticals Chair David Flacks said: "AFT has delivered another strong result, reflecting the strength of our core Australasian business and the benefits of our increasing geographic and product diversification.

"We have continued to invest for long-term value creation - progressing international hubs, executing licensing opportunities, and advancing a portfolio of valuable innovative products that can support our ambition to exceed \$300 million sales this financial year."

Co-Founder and Managing Director Dr Hartley Atkinson said: "This result demonstrates continued execution against our strategy. We are growing in our established markets,

¹ All increases are against the FY25 result unless otherwise stated

² <https://tin100.com/reports/2025-tin-report/>

For personal use only

and we are building a wider, more diversified AFT through disciplined international expansion, out-licensing the intellectual property from our R&D programs, and further advancing our efforts to address unmet clinical needs. Reflecting this confidence, we remain on track to deliver on our \$300 million revenue goal for FY27."

FINANCIAL RESULTS

Total revenue, which includes licensing income, rose 22% to \$254.7 million from \$208.0 million in FY25. Growth was driven by: i) continued momentum in Australia; ii) steady expansion in New Zealand; iii) a growing contribution from AFT's International and Asian hubs as they scale and iv) a return to normal patterns of trading in Asia and International markets.

Australasia remained the cornerstone of AFT's earnings and cash generation, growing revenue by 16% to reach \$210.5 million. In the Australian market we saw broad-based strength across OTC brands and ongoing uptake across prescription medicines. The growth was also supported by a steady stream of new launches and portfolio expansion which remains a key focus. New Zealand delivered steady growth with continued opportunities across key categories including allergy, dermatology and eyecare.

International and Asian markets recorded a stronger year of product sales and royalties, respectively rising by 66% (to \$28.5 million) and 41% (to \$15.6 million) reflecting ongoing execution on expansion initiatives. However, were it not for some shipping delays related to the geopolitical tensions, revenue growth would have been stronger.

Licensing income rose to \$3.1 million as AFT progressed multiple out-licensing agreements and expanded its pipeline of negotiations across key assets, a rise that is consistent with the ongoing progression of commercialisation of the near-term development portfolio.

Gross margin on product sales and royalties decreased slightly to 42.7% (FY25: 43.9%), reflecting primarily portfolio mix and foreign currency but AFT sees this margin improving in FY27 and onwards.

Operating expenses increased as planned as AFT continued to fund growth initiatives, including: (i) start-up and ongoing scaling costs for international hubs; (ii) brand and market entry investments to support launches; and (iii) higher R&D expenditure to advance late-stage projects and new pipeline initiatives. However, and importantly, overall expenses were lower as a proportion of sales at 33.8% of sales (FY25 35.6%) as increased operating leverage is achieved.

The resulting operating profit was \$24.4 million (FY25: \$17.6 million), and EBITDA was \$28.8 million (FY25: \$20.9 million). Net profit after tax was \$14.1 million (FY25: \$11.4 million) and included increasing amortisation on some existing projects.

Further details on the performance of AFT's individual markets is contained in the annual Report also released to the NZX and ASX today.

INTERNATIONAL DEVELOPMENT

AFT continued to advance its strategy of building international business hubs in markets that share similar commercial and regulatory dynamics to its Australasian operations.

During FY26, the company continued to expand its footprint across the UK, Europe, North America, and South Africa, progressing each hub along the path from establishment to development.

In the United Kingdom, AFT continued to broaden distribution of Maxigesic tablets (marketed as Combogesic) from Boots and SuperDrug to now include independent pharmacies. The initial launches of Combogesic IV in several London NHS hospitals continued to progress, with sales momentum linked to formulary inclusion.

In Europe, AFT is making progress with its portfolio of injectables acquired from an insolvent company in 2025, with updated regulatory dossiers and licenses now supporting planned EU launches that are expected to make a meaningful contribution in FY27.

In North America, AFT launched Combogesic IV in Canada during FY26 and has a healthy pipeline of further product launches planned. AFT has taken back the the distribution of Combogesic tablets and is relaunching them in the new financial year.

In the US, Combogesic Rapid will be distributed through Mark Cuban's CostPlus platform, reaching all 50 states, while Hikma continues to distribute Combogesic IV. AFT's consumer range — including Liposachets, Kiwisoothe, and Optisoothe — is available through Amazon with additional channels being finalised and expected to be commercialised during the FY27 time period.

AFT South Africa has successfully integrated several inventory products acquired from Pharma Dynamics. In addition, after year end we finalised the purchase of a product portfolio, which has been a significant undertaking. With three new staff added across finance, logistics, and regulatory affairs, AFT SA is well positioned to make a strong contribution in FY27 to the International business.

RESEARCH AND DEVELOPMENT

FY26 R&D expenditure (expensed and capitalised) was \$18 million (FY25: \$15 million), reflecting continued investment across a diversified portfolio spanning pain, dermatology, eyecare and injectables. We intend to further increase R&D expenditure to \$25 million in FY27 in order to execute the larger R&D portfolio including the late-stage injectable iron project, which requires a large clinical study.

AFT progressed multiple late-stage programs and expanded the depth of its pipeline during the year, including:

- A new partnership with Stablepharma UK to develop room-temperature storage versions of several fridge-stored injectables — opening a potential global market worth in excess of US\$6 billion³. The first two fridge free drugs are in development and progressing well.
- Intravenous iron: Following a positive Phase III trial, AFT and its development partners progressed preparations for a large global study involving 1,366 patients of numerous ethnicities across multiple geographies (planned New Zealand, China, India, Japan, Armenia, Europe and USA) and filed three

Data on file ³<https://www.biospace.com/intravenous-iron-drugs-market-size-to-worth-around-us-7-41-billion-by-2033>

additional patent applications to further strengthen protection of the asset. The project targets an addressable market estimated at US\$7.41 billion⁴.

- China out-licensing: AFT secured an out-licensing agreement for its novel IV iron therapy for China with Chengdu-based Grand Life Sciences Group, featuring upfront, development and sales milestone payments and recurring royalties, with a contribution to global development funding.
- Pascomer: Regulatory resubmissions for the Facial Angiofibroma indication have started this calendar year after adding a new contract manufacturing site to address previous regulatory manufacturing questions. Additionally, the Port Wine Stain Phase II study will be underway in both Spain and USA this year.
- Migraine Treatment: a formulation project is underway in order to file a dossier in the 2027 calendar year.
- Antibiotic eyedrop: AFT advanced the IND submission pathway with the US Food and Drug Administration (FDA) to support first-in-human studies.
- Topical strawberry birthmarks: AFT advanced its pre-IND submission and incorporated FDA feedback to guide the IND pathway and Phase I-III study designs.
- Topical Keloid Scars: Formulation work is underway.
- Maxigesic and Maxigesic IV paediatric: AFT advanced preparations to commence a Maxigesic and a Maxigesic IV study for paediatric populations following FDA approval of the paediatric study plans with the first study site starting in June.
- Injectables pipeline: AFT continued to progress the Sinoject pipeline, including filing regulatory dossiers for at least five injectables before the end of FY27.
- Two developments primarily aimed at the Australian market with high sales potential. Clinical studies on these products are due to be completed this calendar year, which, if successful, will allow subsequent regulatory filing.
- A new agreement with a Massey Ventures to develop a novel injectable formulation treatment which would compete in a market estimated presently to be around US\$2 billion growing to US\$3 billion to 3.7 billion by 2032-2034⁵.

AFT also continued to execute an active out-licensing and in-licensing programme, progressing multiple agreements and advancing regulatory dossiers across the portfolio to support a multi-year launch schedule.

BALANCE SHEET AND DIVIDEND

AFT remains well funded. Net debt at 31 March 2026 was \$38.6 million (31 March 2025: \$14.5 million) and remains within the company's target leverage range. This increase partly reflects the decision to increase inventory, to support growth and ensure continuity of supply given the current geopolitical tensions. Inventory acquired with the new South African pharmaceutical licenses, also contributed to the increase. The company secured a new and increased facility of \$50 million in December 2025.

⁴<https://www.biospace.com/intravenous-iron-drugs-market-size-to-worth-around-us-7-41-billion-by-2033>
Data on file

Reflecting the strength of the business, Directors have declared a dividend of 2.5 cents per share (FY25: 1.8 cents per share).

OUTLOOK

AFT expects to extend its growth record in FY27 as it drives towards its revenue goal of at least \$300 million through: (i) continued expansion in Australasian markets; (ii) a strong programme of launches across International hubs; (iii) increasing contributions as those hubs scale, with the UK and South Africa expected to make a meaningful contribution to earnings in the current financial year; (iv) continued progress in R&D and regulatory milestones; and (v) an active licensing programme that starts to monetise AFT's intellectual property and broadens the company's geographic reach.

"We are well positioned to continue to grow by focusing on what we do best - identifying unmet clinical needs, in-licensing or developing medicines, and commercialising them to improve health globally. Importantly, our increasing geographic and product diversification supports the resilience of the business," Dr Atkinson said.

AFT will continue significant investment this financial year and expects FY27 operating profit to reach between \$28 million to \$32 million.

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 9488 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 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 drugs⁶. 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.