



Working to improve your health

1 November 2024

AFT trading update

AFT Pharmaceuticals (NZX: AFT, ASX: AFP) today advises that it expects to announce an operating loss of just under \$2 million for the six months to 30 September 2024 when it releases its interim results on Thursday 21 November 2024.

This is primarily due to both International and Asia sales being lower than last year's first half, reflecting one-off factors that have affected performance.

Sales to International markets dropped due to a reduction in orders from several of our largest customers who have been re-sizing stock levels and AFT notes that this has not affected in-market sales. In Asia, a doctors strike in South Korea, which has now been resolved, significantly impacting Maxigesic IV sales.

First half earnings have also been affected by both lower licensing income and further expensed investment to build AFT's presence in new territories including North America, the United Kingdom, Europe, South Africa, Asia, and AFT's E-commerce digital channels, where the Company sees strong latent demand for its broader portfolio of medicines in addition to Maxigesic.

Offsetting this in part, sales and operating profits in Australia and New Zealand achieved double digit growth in the first half despite subdued economic conditions.

The Company anticipates a recovery in sales momentum in the traditionally stronger second half of the financial year. The company remains well capitalized with net debt at the end of September 2024 of \$19.4 million, up from \$16.2 million as at the end of March, but down from \$30.6 million at the same time a year ago.

Whilst the expected first half loss will likely have an impact on the Company's full year guidance, there are also a number of initiatives planned and contract negotiations underway which the Company is assessing in its review of its full year forecast. The Company expects to be in a position to update the market

on its full year guidance when it releases its interim FY25 results on Thursday 21 November 2024.

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

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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 drugs¹. 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.