



# 2024 ANNUAL SHAREHOLDERS MEETING

AUCKLAND  
2 AUGUST 2024  
10.30AM



**A|F|T** *pharmaceuticals*  
Working to improve your health

# Important Notice

This presentation has been prepared by AFT Pharmaceuticals Limited (“AFT”), to provide a general overview of the performance of AFT. It is not prepared for any other purpose and must not be provided to any person other than the intended recipient.

This presentation should be read in conjunction with AFT’s interim financial statements, market releases and other periodic and continuous disclosure announcements, which are available at [www.nzx.com](http://www.nzx.com) and [www.asx.com.au](http://www.asx.com.au).

All amounts are disclosed in New Zealand dollars (NZ\$) unless otherwise indicated.

All references to financial years appearing in this presentation are for the period ending 31 March, unless otherwise indicated. This presentation is not a recommendation, offer or invitation to acquire AFT’s securities or other form of financial advice or disclosure document.

While reasonable care has been taken in compiling this presentation, none of AFT nor its subsidiaries, directors, employees, agents or advisers (to the maximum extent permitted by law) gives any warranty or representation (express or implied) of the accuracy, completeness or reliability of the information contained in it nor takes any responsibility for it.

The information in this presentation has not been and will not be independently verified or audited. This presentation may contain certain forward-looking statements and comments about future events, including with respect to the financial condition, results, operations and business of AFT.

These statements are based on management’s current expectations, which may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct, and the actual events or results may differ materially and adversely from these statements. Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon (and is not) an indication of future performance.

Welcome



**David Flacks**  
AFT Pharmaceuticals Chair

# DIRECTORS



**Dr Hartley Atkinson**  
CEO and Managing Director



**Anita Baldauf**  
Independent Director



**Andrew Lane**  
Independent Director



**Dr Ted Witek**  
Independent Director



**Marree Atkinson**  
Chief of Staff, Executive Director

# Agenda

- **Welcome**
- **Chair address**
- **Managing Director's address**
- **Questions**
- **Resolutions**
- **General business**
- **Meeting close**



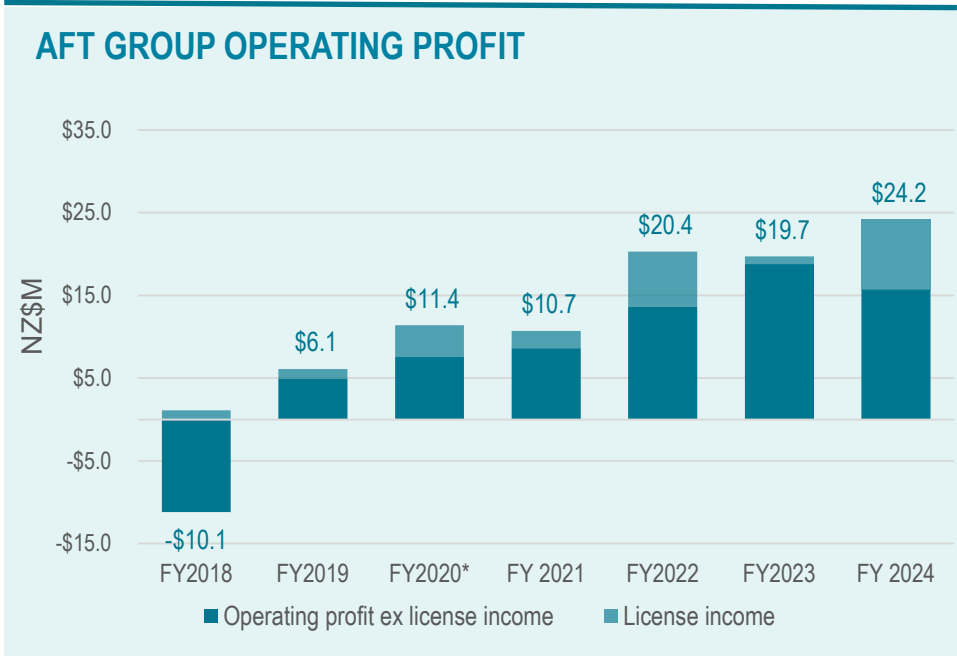
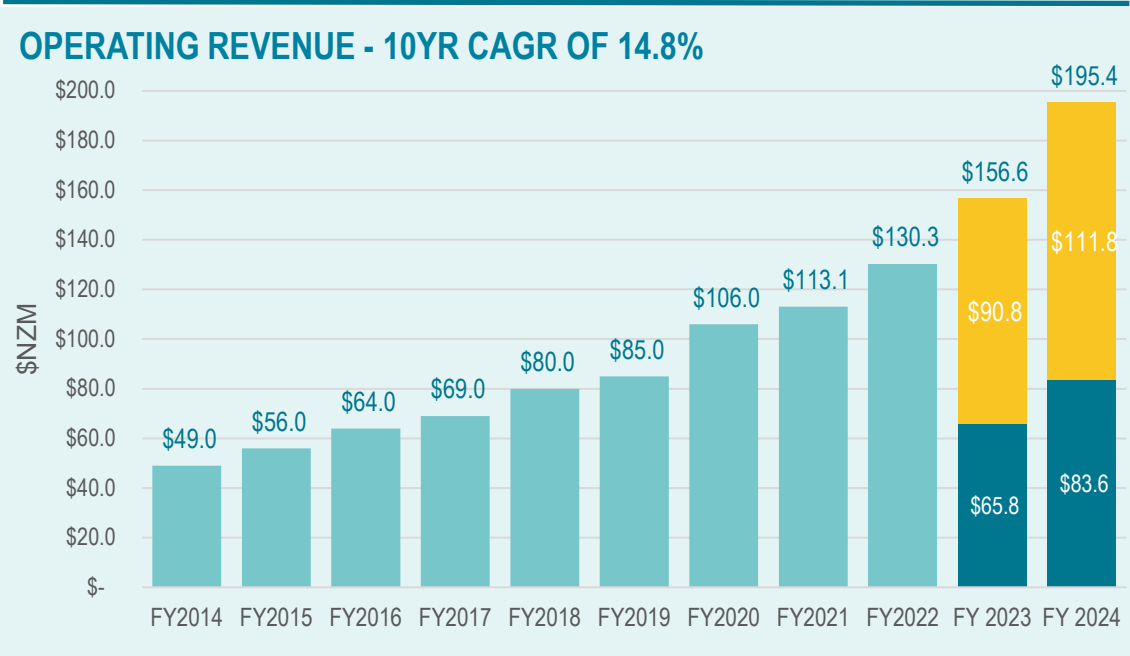
# CHAIR ADDRESS

**A|F|T** *pharmaceuticals*  
Working to improve your health

# Record Revenue, Amid International Expansion and Portfolio Growth

## HIGHLIGHTS

- Full-year operating revenue up **25%** to \$195.4 million, extending a decades long record of revenue growth;
- EBITDA<sup>1</sup> rose 22% to \$26.2 million; operating profit rises **23%** to \$24.2 million, both at a record.
- Our products are now sold in more than 70 countries, and we are now represented in the two largest pharmaceutical markets in the world (US and China)
- We have significantly invested for growth with the expansion of our global presence, including the launch of new products in our core Australasian markets and new business operations in North America, Europe the UK and Asia and extended our research and development program

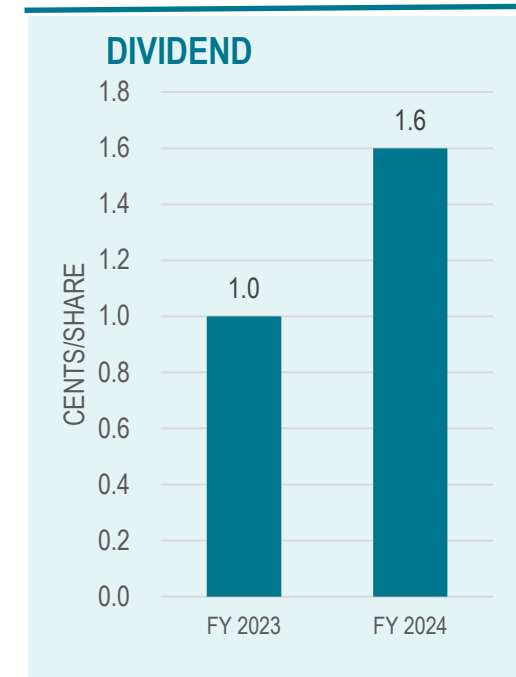
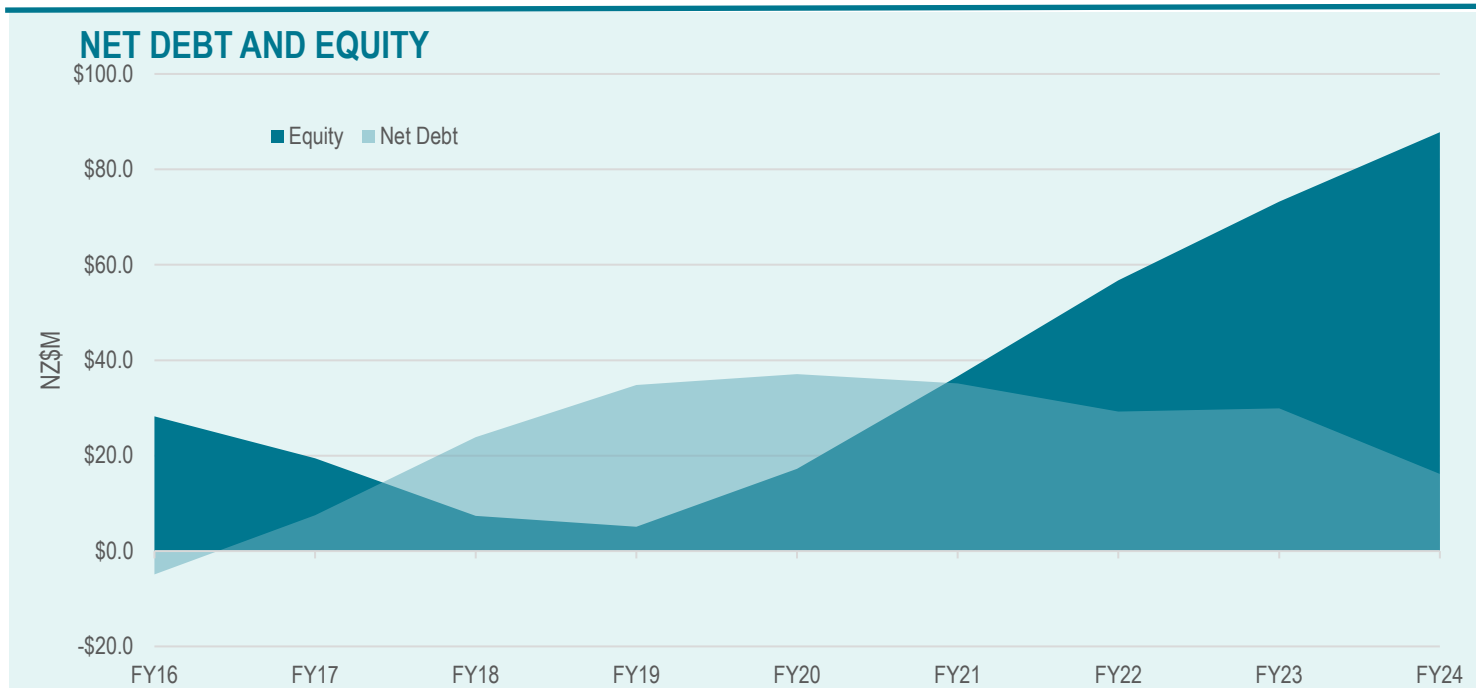


FY 1H 2H

<sup>1</sup> EBITDA is a non-GAAP measure of financial performance and is defined and reconciled to NZ GAAP on page 37 of this presentation.

# Significant financial improvement since IPO

- Shareholder equity has grown steadily since FY19 amid an expanding medicine portfolio, continued investment in research and development and international expansion.
- Net debt has consistently shrunk as a proportion of equity since 2021 and in FY 24 was down (down **45%** to \$16.2 million and ahead of 1x EBITDA target')
- Dividend declared of **1.6** cents per share against 1.1 cents for FY23
- We are forecasting strong revenue growth and targeting operating profit, excluding any significant one-off license income, to range between \$22 million to \$25 million, driven by better quality earnings from trading.





# Sustainability and Governance - Focused on What Matters

	<b>SOCIAL</b>	<b>GOVERNANCE</b>	<b>GOVERNANCE</b>
<b>PRIORITIES</b>	<b>1. Working to improve health and well being</b>  	<b>2. Best practice corporate governance</b> 	<b>3. Ethical and sustainable value chains</b>  
	<b>SOCIAL</b>	<b>ENVIRONMENT</b>	<b>ENVIRONMENT</b>
<b>PRIORITIES</b>	<b>4. Supporting and developing our people</b>   	<b>5. Understanding our climate risks and taking action</b>  	<b>6. Waste minimisation</b> 

## Sustainability

- We continued to evolve of our sustainability framework against best practice. This has included a further review of what is 'material' to AFT
- We completed our first climate risk assessment, and our first disclosure required under the Aotearoa New Zealand Climate Standards
- We determined that climate change does not represent a material risk to our business
  - Established targets for Scope 1 and 2 emissions consistent with limiting global warming to a 1.5-degree increase
  - Developing our emissions reduction plan
- Continuing to evolve the measures and targets we use to assess progress on our sustainability agenda

## Governance

- Andrew Lane joined the Board in September 2023
- Anita Baldauf retires at the conclusion of today's meeting.

## BREAKING THE BAD OF PSEUDOEPHEDRINE

- We have deployed a matrix technology reduces the amount of pseudoephedrine that can be extracted from the medicines.
- Approved for in Australia, seeking New Zealand approval
- Seeing strong interest from pharmacists concerned about in store robberies



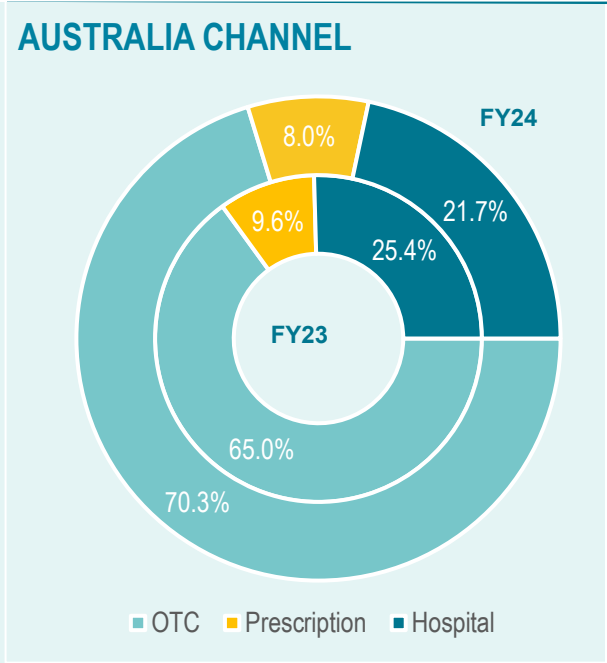
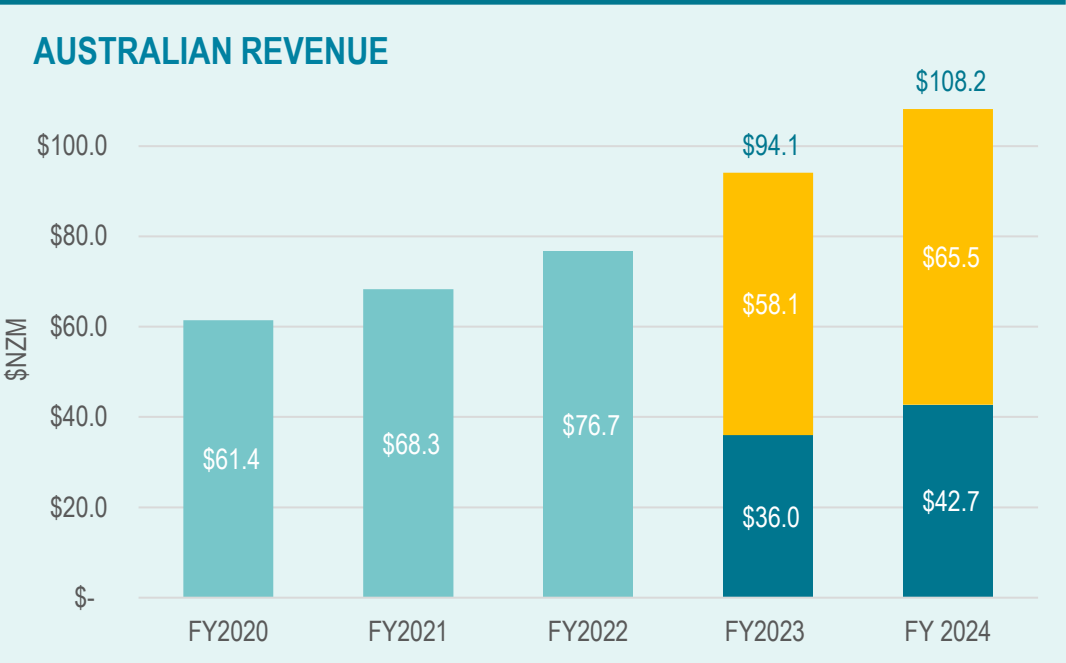
## CEO Address



**Dr Hartley Atkinson**  
Co-Founder and Managing Director

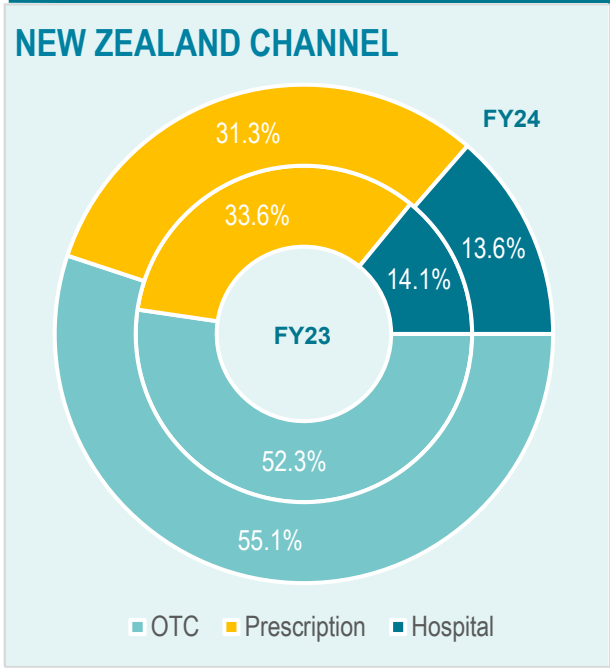
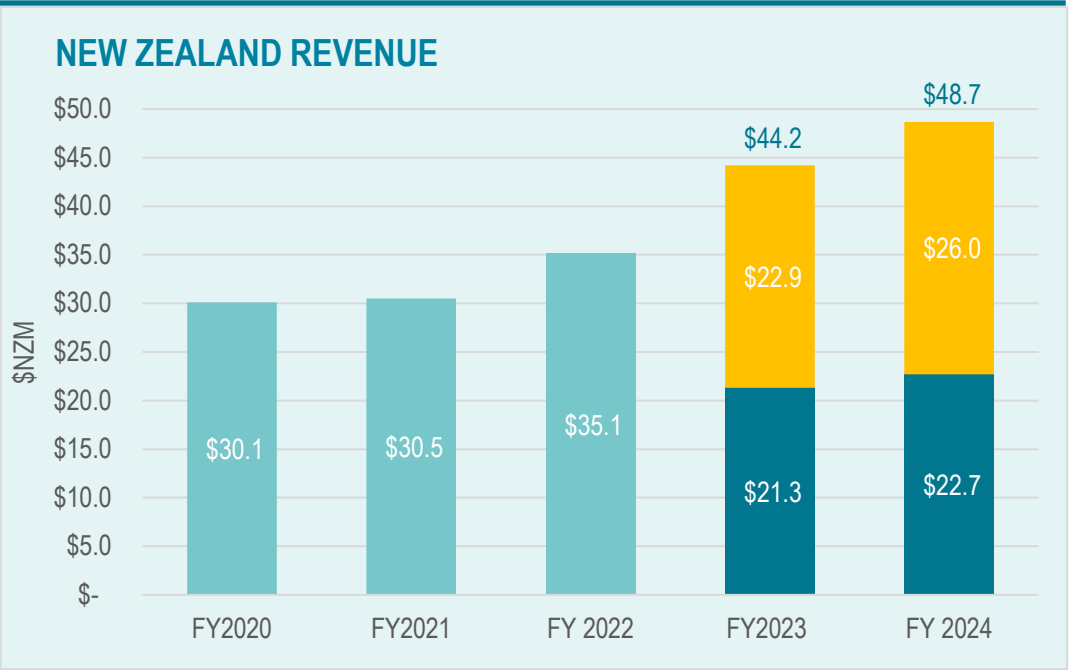
# Australia: Sales Growth Led by OTC Markets

- Revenue rose **15%** to \$108.2 million; driven by OTC channel growth; AFT’s liposomal vitamins and Maxigesic are the leaders in their respective segments
- Operating profits down to \$15.5 million from \$19.3 million following increased marketing spend on product launches. Margins impacted by discounting and a change in mix, but we expect a normalisation in the coming year.



# New Zealand: Growth in OTC

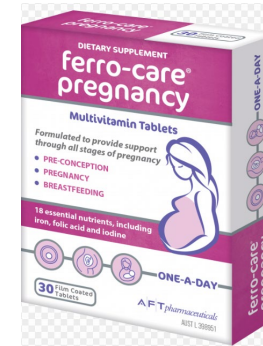
- Revenue rises 11% to \$48.7 million, with the OTC channel leading growth.
- Operating profit was \$7.3 million compared to \$8.1 million in the prior year. In part this reflects the increased marketing spend associated with product launches and brand support for Maxigesic.



FY 1H 2H

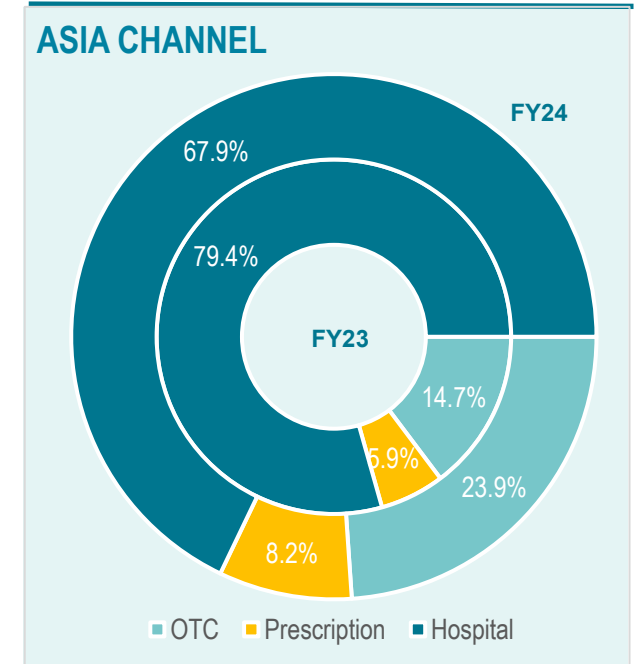
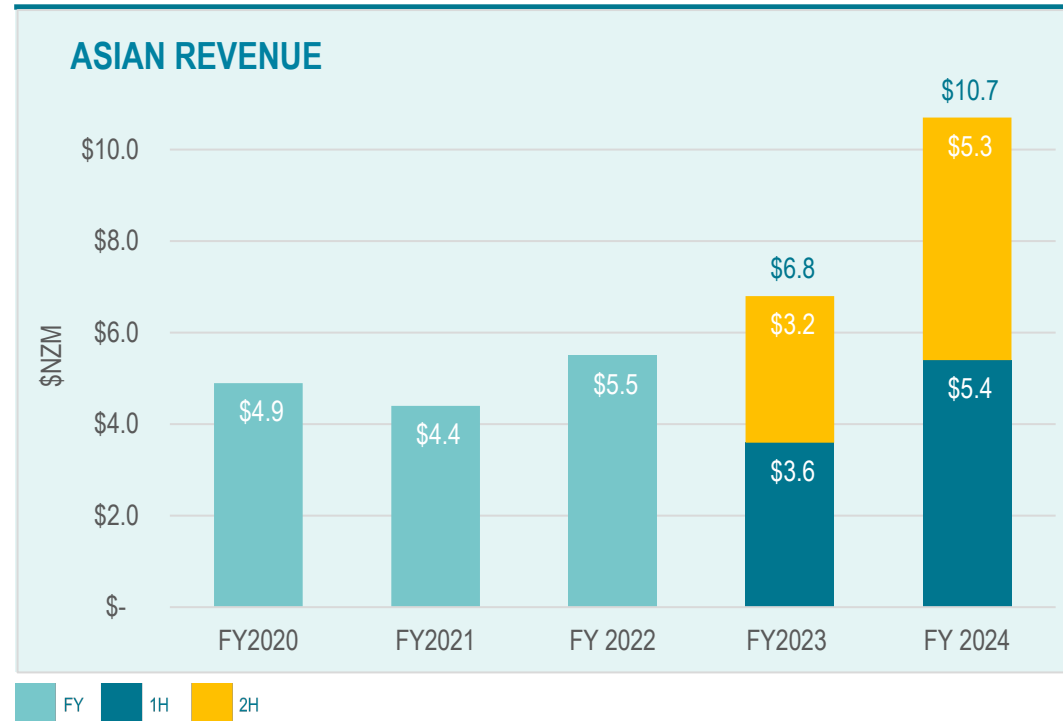
# Driving Australasian Growth With New Products

- A full portfolio of product launches for our Australasian business, with over 60 targeted for FY25 to FY26
- During FY24 we launched 18 new products across Australasia including:
  - Extending Ferro Range
    - Ferrocare Pregnancy Multivitamins
    - Ferro-MR Tablets
    - Ferro-MR + Vit C Tablets
    - Ferro-Malt Tablets
  - Extending Preservative Free Eye Drop Range
    - DorzolaTim Preservative Free Eye Drops
  - Extending Hospital injectable products
    - 5 new injectables

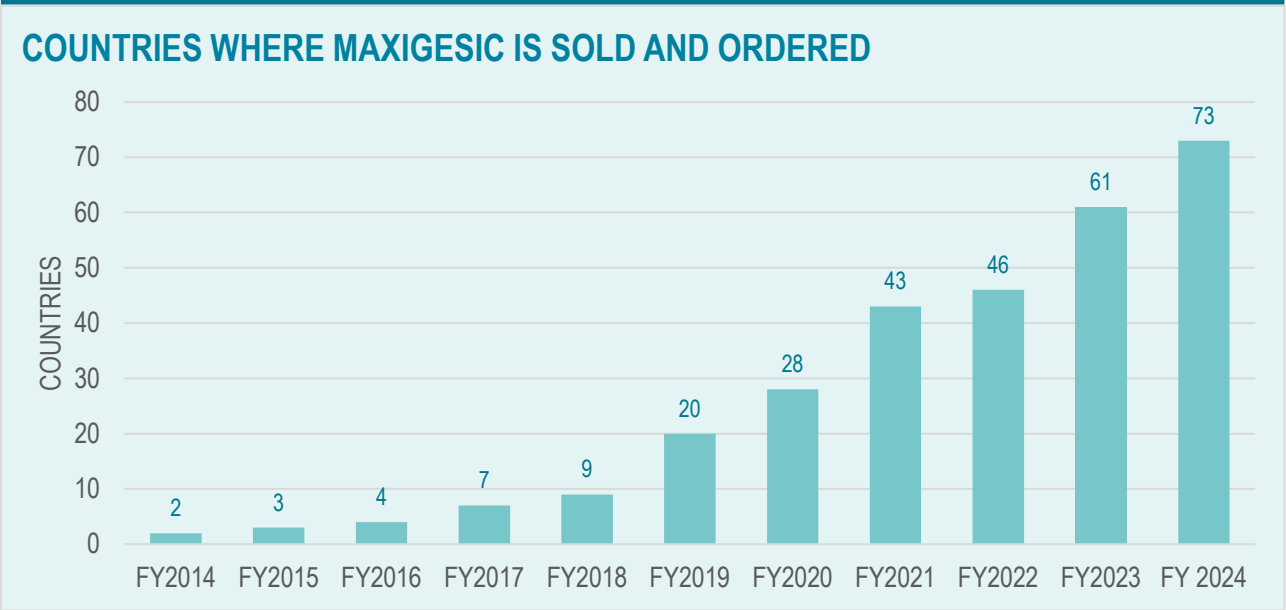
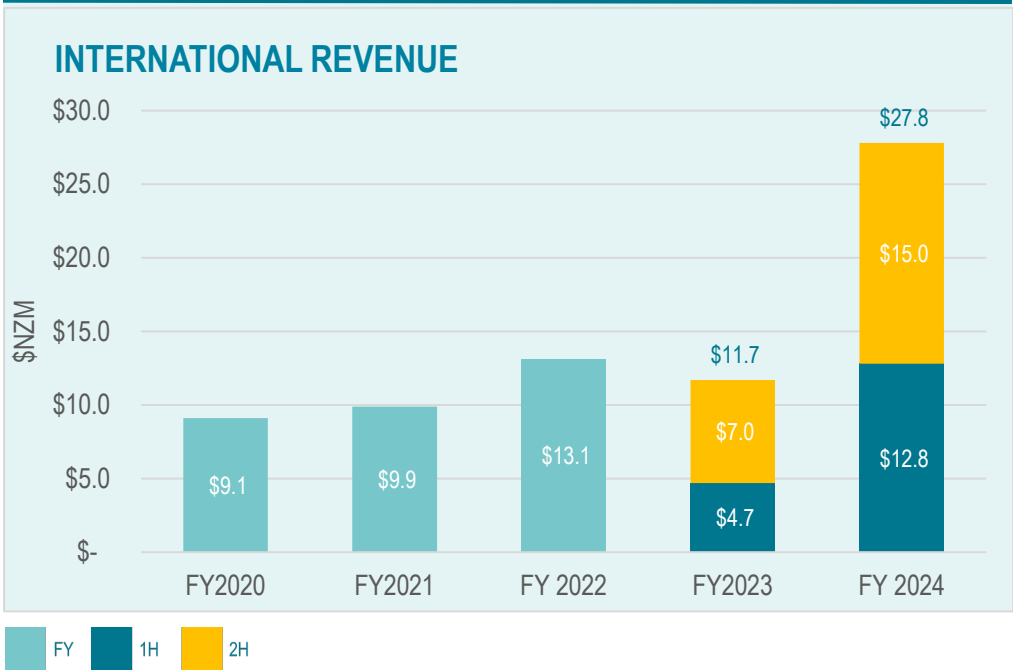


# Asia: Maxigesic IV Drives Growth; Supported by OTC and Online

- Operating revenue grew **57%** to \$10.7 million from \$6.8 million, with growth driven by the hospital channel and strong demand for Maxigesic IV, particularly in Korea. Chinese cross border e-commerce (CBEC) initiatives also contribute
- Operating profit up **177%** to \$2.5 million from \$0.9 million.
- Crystaderm China distributor Hainan Haiyao Co Ltd agreed and launch late 2024.



# International – Expanding into New Markets

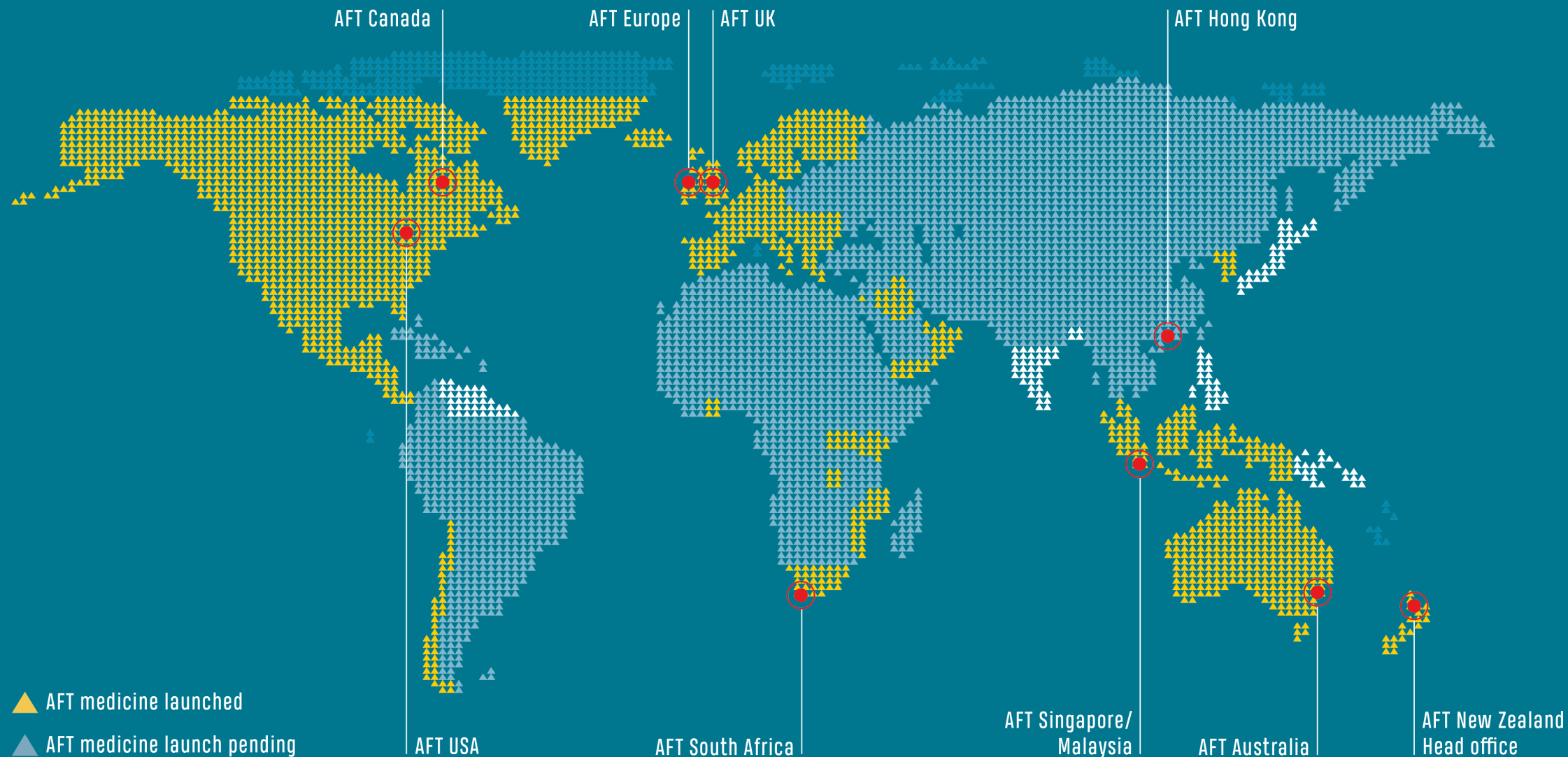


- Revenue from product sales and royalties in the international business grew by 78% to \$19.3 million
- Operating profit rises to \$8.6 million from \$0.3 million lifted by milestone payments following the launch of Maxigesic IV in the US.
- Maxigesic Rapid tablets to be launched in US late 2024



# AFT's Global Reach

*Our medicines are now available in more than 70 countries around the world*





# Expanding AFT's Global Footprint

*Opening new markets for our proprietary IP and in-licensed new products*

## AFT PHARM UK (70% AFT)

- Launched Combogesic IV & Tablets
- 6 approvals now (purchased 2 registration licenses to save time)
- 4 registrations submitted & 8 being filed soon
- Further pipeline = 22

## AFT PHARM EUROPE

- Purchased product licenses for niche IV drugs from bankrupt German pharmaceutical company
- Acquired EU rights (minus Poland) for niche IV drug being discontinued by a large pharmaceutical company
- Agreements for above made/in progress for selected EU nations

## AFT PHARM USA

- Appointed distributor Alexso for Combogesic Tabs for selected channels and negotiating with others
- AFT to sell unregulated OTCs to add to Amazon sales



# Expanding AFT's Global Footprint

*Opening new markets for our proprietary IP and in-licensed new products*

## AFT PHARM CANADA (70% AFT)

- Launched Maxigesic tablets through a partner, to launch Crystaderm FY25 through a partner
- Approval for Maxigesic IV. To launch ex AFT Pharm Canada
- Pipeline = 1 submitted and 4 in preparation

## AFT PHARM SOUTH AFRICA (70% AFT)

- Purchased company with existing SAHPRA licenses (saves 2 years)
- Move existing 10 licenses to AFT Pharm & launch in private hospital market starting FY26

## AFT PHARM SINGAPORE

- Launched Maxigesic tablets & to launch Maxigesic IV, Maxigesic PE
- Launching further selected AFT products
- Pipeline = 8 submitted and 6 in preparation

## AFT PHARM HONG KONG

- Launched Maxigesic tablets & launching Maxigesic IV
- Launching further selected AFT products
- Pipeline = 8 submitted and 11 in preparation

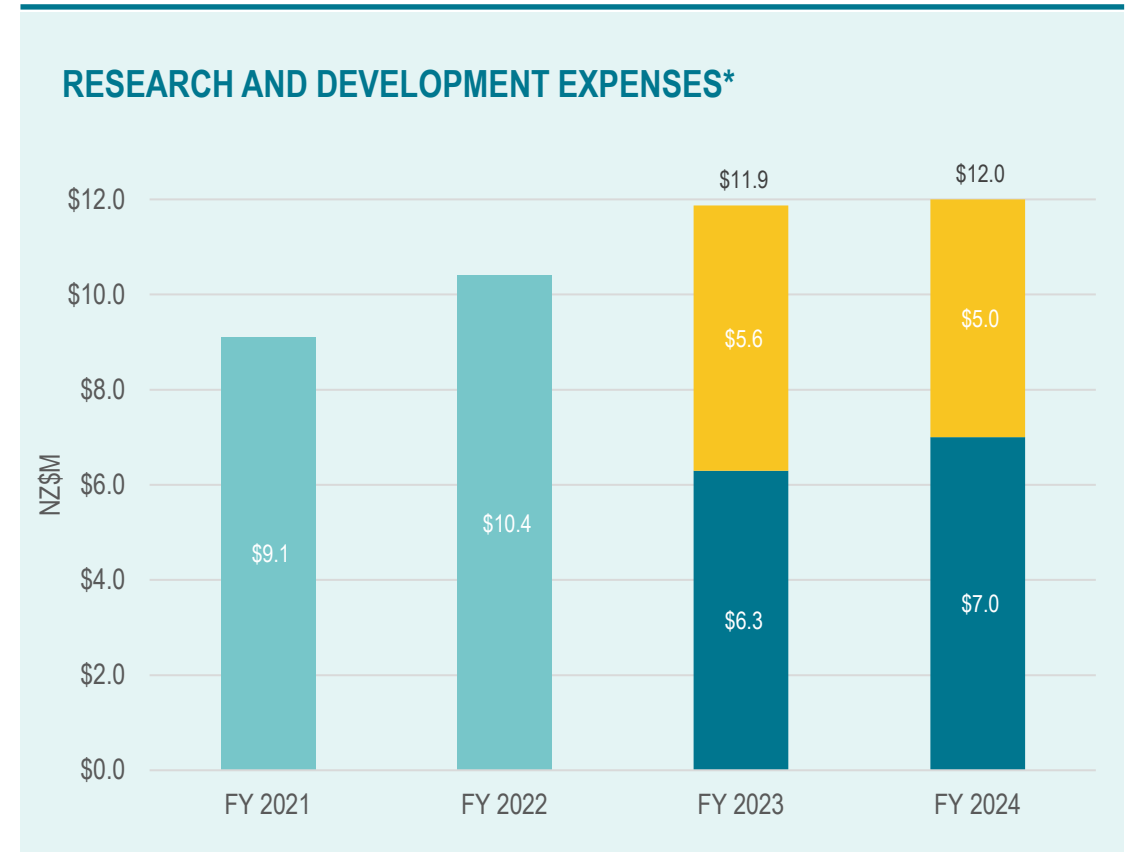


# Research and Development Investments Moving to Commercialisation

Several projects have exited (or are exiting) development during the year, and are moving to revenue generation

## COMMERCIALISATION PROGRESSING

- **Maxigesic** – nine dose forms and protected by patents.
  - Tablets/Oral liquid
  - Hot drink & dry stick
  - Rapid Dissolving Tablet (Patent 2039).
    - USA agreements
  - Intravenous (Patent 2035)
    - Brazil agreement. Further major agreement under contract
- **Crystaderm** – antibacterial and anti-acne cream, a unique and proprietary formulation
  - China distribution agreement
- **Micolette** – micro-enema for bowel obstruction
  - Multiple agreements in progress
- **Kiwisoothe** – tablets and sachets for gut discomfort and constipation
  - Multiple launches in AFT territories
- **Capsaicin** – cream in two strengths for Osteoarthritis (low) and Neuropathic pain (high)



\*Expensed and capitalised

FY 1H 2H

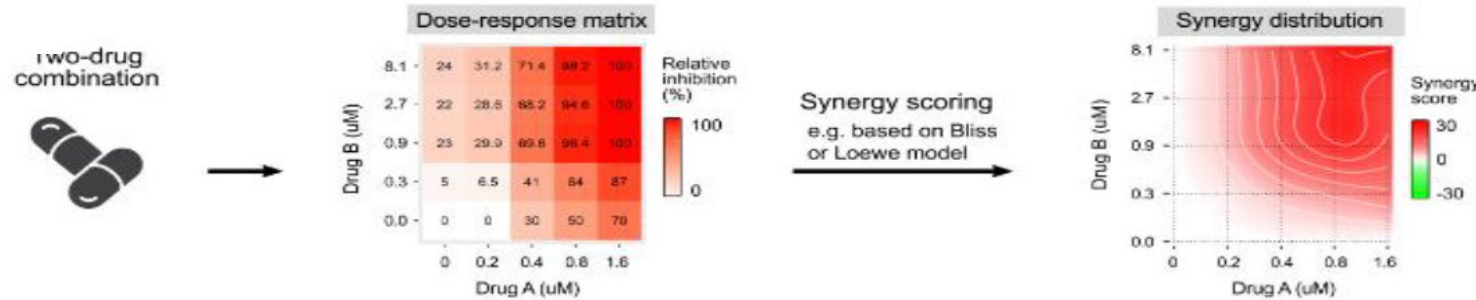
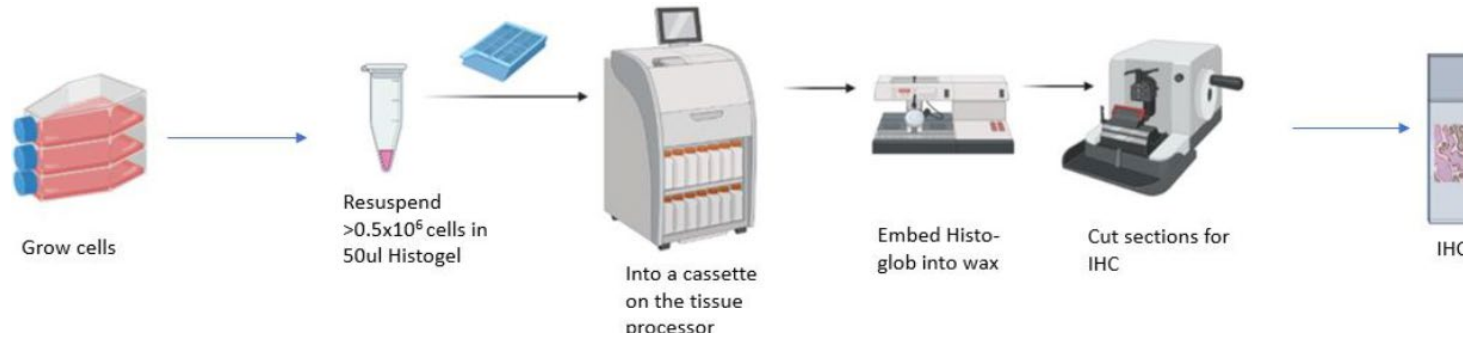
# A Strong Research and Development Pipeline

*AFT's positive cashflows have positioned the company well to undertake and secure research and development projects either alone or in partnership with others.*

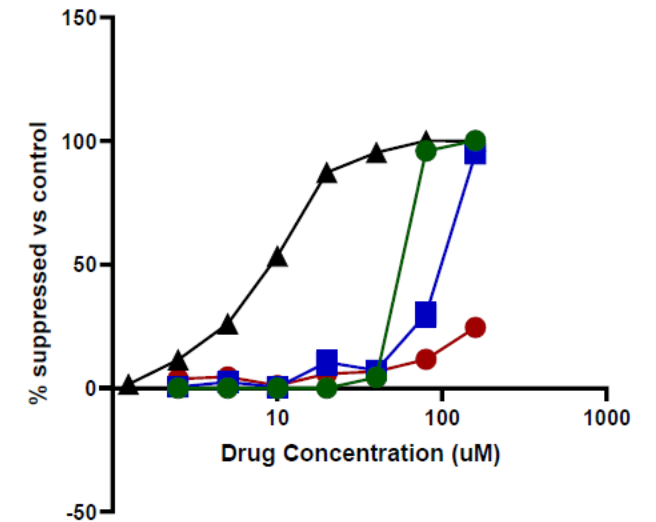
PROJECT	PATENT	PARTNERSHIP AND APPLICATION
<b>DERMATOLOGY</b>		
Pascomer	2040/2044 <sup>1</sup>	Facial angiofibromas / Port Wine Stains
Strawberry Birthmarks	2041 & 2044 <sup>1</sup>	Gillies McIndoe and Massey Ventures
Keloid Scars topical treatment	2044 <sup>1</sup>	Gillies McIndoe and Massey Ventures
Vulvar Lichen Sclerosis	TBC	Hyloris Pharmaceuticals
<b>EYECARE</b>		
Antibiotic Eye Drop	2037 & 2044 <sup>1</sup>	For drug resistant infections: - Conjunctivitis, Keratitis, Post Kpro prophylaxis
<b>PAIN</b>		
Burning Mouth Syndrome	TBC	Hyloris Pharmaceuticals
<b>DRUG DELIVERY</b>		
NasoSURF for conscious sedation	2036	
Hospital injectables Targeted range of 5 injectables	N/A	Injectables offer strong opportunities. (AFT affiliates - AU, NZ, SG, MY, HK, ZA, CA, UK- offer a target market of <b>US\$119M</b> and AFT Pharm EU offers of a target market of <b>US\$448M</b> )
<b>OTHER</b>		
Novel new medicine (confidential)	2037	Late-stage development under negotiation



# A Sophisticated Research and Development Programme



% suppression in MTT assay



## STRAWBERRY BIRTHMARKS R&D\*

- Identified drugs that inhibit growth strawberry birthmark cells
- Identified synergistic combinations & derive IP – 2041 and 2044 patent filings
- Advanced formulation work underway in Canada on 4 cream, 2 ointment and 2 gel formulations
- Meet FDA in 2025 to discuss and agree development pathway

\*Research conducted in conjunction with GMRI and Massey University

## Outlook: Positioned to Drive Continued Growth in Revenue and Earnings

- AFT is well positioned to build on its long record of growth supported by:
  - The ongoing roll out of Maxigesic and its line extensions
  - Additional R&D products now being commercialized
  - The planned launch of over 60 new products over the next 24 months in Australasia and margins trending back to historical averages
  - Numerous new launches and increasing rates of growth in other markets around the world including AFT companies.
  - A significant product development pipeline
- We are now turning to the next target of \$300 million annual revenue.



# QUESTIONS





# RESOLUTIONS



**A|F|T** *pharmaceuticals*  
Working to improve your health



## Resolution 1: Auditors Remuneration

That the directors are authorised to fix the fees and expenses of Deloitte as auditor for the 2025 financial year.

## Resolution 2: Re-election of David Flacks

That David Flacks be re-elected as a director of AFT Pharmaceuticals Limited.

## Resolution 3: Re-election of Dr Ted Witek

That Dr Ted Witek be re-elected as a director of AFT Pharmaceuticals Limited.

## Resolution 4: Election of Andrew Lane

That Andrew Lane be elected as a director of AFT Pharmaceuticals Limited.

# Votes Cast Before the Meeting

RESOLUTION	FOR	AGAINST	OPEN	ABSTAIN
1. Auditors Fees and Expenses				
2. Re-election of David Flacks				
3. Re-election of Dr Ted Witek				
4. Election of Andrew Lane				
* Percentage figures show proportion of total votes cast before the meeting				



# VOTING AND GENERAL BUSINESS





**MEETING CLOSE**



**A|F|T** *pharmaceuticals*  
Working to improve your health

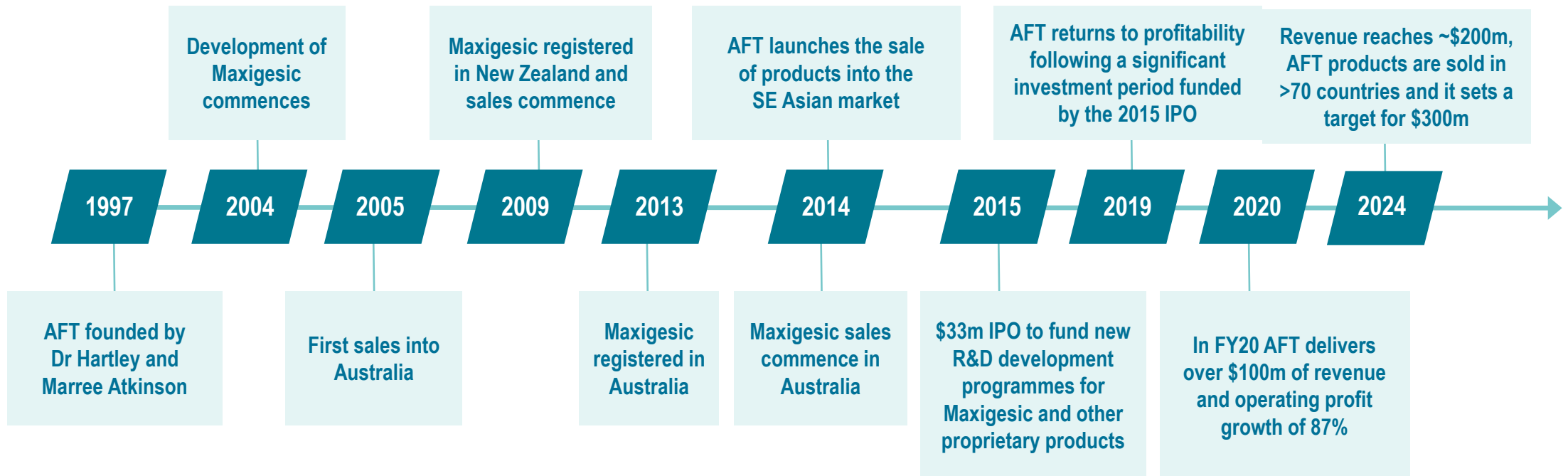
# APPENDIX



## Appendix 2: History of AFT Pharmaceuticals

AFT was founded over 25 years ago by Dr Hartley and Marree Atkinson. Since then, AFT has remained an Atkinson-family controlled business and has grown organically into Australia and internationally

The 2015 IPO raised funds to pursue a more aggressive (and loss-making) R&D-led growth strategy. AFT has now returned to profitability as intended, as the company was prior to IPO and its growth and global reach is now accelerating



# Appendix 3: Australasian Product Portfolio

AFT has the #1 selling product (Maxigesic) in the Australian para-ibu<sup>1</sup> combo pain relief. AFT's portfolio includes a combination of over 150 proprietary, branded and generic products which address the following therapeutic areas:

<b>Pain</b>	Maxigesic, ParaOsteo, ZoRub OA/HP, Fenpaed, Combolieve Day/Night
<b>Eyecare</b>	Hylo, Novatears, CromoFresh, Opti-soothe Wipes/Mask, VitAPOS
<b>Vitamins</b>	Ferro-liquid, FerroTab, Ferro-F, Ferro-sachets, Lipo VitC, Lipo VitD, CalciTab
<b>Allergy</b>	Loraclear, Histaclear, Fexaclear, Levoclear, Allersoothe, Lorapaed, Becloclear, Steroclear
<b>Gastrointestinal</b>	Gastrosoothe/Forte, LaxTab, Micolette, Nausicalm, DiaRelieve
<b>Dermatology</b>	Crystaderm, Crystasoothe, Topiderm range, Decazol, MycoNail
<b>Hospital</b>	Maxigesic IV, Injectables



<sup>1</sup> Paracetamol and Ibuprofen

# Appendix 4: AFT Global Product Portfolio

AFT is building the global presence of its proprietary and patented products through its network of licensees and distributors. It continues the development of its portfolio of repurposed medicines: Maxigesic<sup>1</sup>, Pascomer, NasoSURF, and Crystaderm

<p><b>Pain</b></p>	<p>Maxigesic oral dose forms</p> <ul style="list-style-type: none"> <li>- Tablets</li> <li>- Solution</li> <li>- Hot drink sachet</li> <li>- Rapid tablets</li> <li>- Cold and Flu</li> <li>- Day&amp; Night</li> </ul> <p>ZoRub Osteo and HP</p>
<p><b>Hospital</b></p>	<p>Maxigesic IV (intravenous)</p> <p>NasoSurf – nasal nebuliser drug delivery</p>
<p><b>Dermatology</b></p>	<p>Crystaderm – selected territories</p>
<p><b>Gastroenterology</b></p>	<p>Kiwisoothe</p> <p>Micolette</p>



<sup>1</sup> Paracetamol and Ibuprofen

# Appendix 5: Extending the Reach of the Maxigesic Portfolio

AFT has the #1 selling product (Maxigesic) in the Australian para-ibu<sup>1</sup> combo pain relief and is building the presence of the business internationally, through the adoption of existing products and the launch of new dose forms

Product	Maxigesic Tablet		Maxigesic IV		Maxigesic Oral		Maxigesic sachet	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Territories	100+	100+	100+	100+	100+	100+	100+	100+
Licensed	69	66	50	43	14	2	2	2
Registered	60	55	36	21	1	1	2	2
Sold in								



<sup>1</sup> Paracetamol and Ibuprofen

## Appendix 6: GAAP to Non-GAAP Reconciliation

AFT's standard profit measure prepared under New Zealand GAAP is net profit after tax.

AFT has used the non-GAAP profit measure of EBITDA when discussing financial performance in this document. AFT directors and management believe that this measure provides useful information as it is used internally to evaluate performance of business units, to establish operational goals and to allocate resources. Non-GAAP profit measures are not prepared in accordance with NZ IFRS (New Zealand International Financial Reporting Standards) and are not uniformly defined, therefore the non-GAAP profit measures reported in this document may not be comparable with those that other companies report and should not be viewed in isolation or considered as a substitute for measures reported by AFT in accordance with NZ IFRS.

Year to 31 March	2024 \$000	2023 \$000
Net profit after tax attributable to owners of the parent	15,609	10,654
Less: Finance Income	(66)	(13)
Add back: Interest costs	3,686	2,873
Add back: Other finance loss/(gain)	(1,404)	1,010
Add back: Depreciation	1,003	808
Add back: Amortisation	1,010	916
Add back: Income tax expense/(benefit)	6,410	5,145
<b>EBITDA</b>	<b>26,248</b>	<b>21,393</b>



**FOR MORE INFORMATION**

Dr Hartley Atkinson

Managing Director

Email: [hartley.atkinson@aftpharm.com](mailto:hartley.atkinson@aftpharm.com)

Malcolm Tubby

Chief Financial Officer

Email: [malcolm.tubby@aftpharm.com](mailto:malcolm.tubby@aftpharm.com)

AFT Pharmaceuticals Limited

Level 1, 129 Hurstmere Road

Takapuna, Auckland 0622

New Zealand

**[www.aftpharm.com](http://www.aftpharm.com)**



**A|F|T** *pharmaceuticals*

*Working to improve your health*