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Market and Media release

21 May 2019

AFT Pharmaceuticals establishes new borrowing facilities

AFT Pharmaceuticals (AFT) today announces it has established a NZ\$15 million interim banking facility with the BNZ, enabling the company to commence refinancing its borrowings at more attractive rates. The new facility uses the existing security arrangements between AFT, BNZ and CRG.

AFT's main facility is provided by specialist US-based healthcare investor CRG. The loan attracts an interest rate of 13.5% and matures on 31 March 2020. Although CRG has offered to extend the loan AFT has been exploring options to refinance its borrowings at more favourable New Zealand commercial lending rates.

The company intends to repay US\$9.5 million of the CRG debt in the next few days, significantly reducing its financing costs. It will continue negotiations with New Zealand commercial banks for a long-term facility which will be used to repay the balance of the CRG loan on 31 March 2020. Accordingly, the interim BNZ facility expires on 31 March 2020.

AFT Founder and Managing Director Dr Hartley Atkinson said: "We are grateful for the support and financial flexibility CRG has provided to AFT over five years of significant research and development investment, and as this business matures it is appropriate for the company to seek alternative borrowing arrangements."

AFT intends to release its audited results for the 12 Months to 31 March 2019 at around 9.00am 22 May 2019. It is holding a conference call for media and investors at 10.00am

To attend the conference call please dial in on one of the numbers below at least five minutes before the scheduled call time, identify yourself to the operator and provide the following confirmation code: 9462706

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About AFT Pharmaceuticals

AFT is a growing 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 drugs. Our business model is to develop and in-license products for sale by our own dedicated sales teams in our home markets of Australia and New Zealand and in certain Southeast Asian markets, and to out-license our products to local licensees and distributors to the rest of the world.