



2027 INTERIM FINANCIAL STATEMENTS

For the six months ended
30 September 2026

AFT pharmaceuticals

Working to improve your health

2027 INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2026

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Group Condensed Interim Financial Statements

These group condensed interim financial statements for the six months ended 30 September 2026 are dated 25 November 2026, and signed for and on behalf of AFT Pharmaceuticals Limited by:

David Flacks
Chair

Dr Hartley Atkinson
Managing Director

HIGHLIGHTS

For the six months ended 30 September 2026

SALES REVENUE

HY27:

$143.6m

▲ 25%

HY26: $114.9m

NET PROFIT AFTER TAX (NPAT)

HY27:

$6.9m

▲ 152%

HY26: $2.7m

ADJUSTED OPERATING PROFIT

HY27:

$13.3m

▲ 180%

HY26: $4.7m

OPERATING PROFIT

HY27:

$12.0m

▲ 155%

HY26: $4.7m

OPERATING CASH FLOW

HY27:

$20.3m

▲ 3,960%

HY26: $0.5m

NET DEBT*

HY27:

$31.4m

▲ 50%

HY26: $20.9m

EARNINGS PER SHARE

HY27:

6.5cps

▲ 154%

HY26: 2.6cps

INTERIM DIVIDEND

HY27:

1.0cps

▲

HY26: NIL

* Bank debt net of cash.



"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."

Double-digit revenue growth and record earnings in first half

Dear Shareholders,

AFT Pharmaceuticals made strong progress in the first half of FY27, extending its unbroken record of revenue growth. The scale of the business is increasing as we strengthen our established Australasian operations, build our international platform and advance a substantial product and research pipeline designed to support future growth. Given our strong half year result the Board is pleased to declare an interim dividend for the first time of 1.0 cents per share.

Our core Australasian business remains the commercial engine of AFT, generating the scale and cashflows that support our growth around the world. We are steadily building capability and product reach through our hubs in North America, the United Kingdom, Asia, and South Africa. Licensing partnerships extend that reach further by taking AFT's intellectual property into markets where the company does not operate directly.

Our progress is supported by tangible milestones during the half: Maxigesic IV licensing agreements in Japan and the Philippines, the launch of Combogesic Rapid in the United States, activation of the first sites for the Feramyl iron infusion IV study, and tentative US FDA approval for Scomara™, a treatment for Facial Angiofibromas associated with Tuberous Sclerosis.

Our business, which maintains its position as New Zealand's largest pharmaceuticals company, is growing while we continue to invest significantly in research and development (R&D), international affiliates and our core markets. These investments constrain current earnings but are directed at substantially increasing our future revenue base.

Financial performance

Total revenue rose 25.0% to $143.6m from $114.9m in 1H26. License income contributed $1.1m, compared with $1.9m in 1H26 and included an upfront payment for the Maxigesic IV licensing agreement for Japan.

Total revenue in Australia grew 31.4% to $87.4m from $66.5m and accounted for approximately 61.0% of the total. New Zealand revenue increased 11.1% to $31.1m from $28.0m. Revenue in Asia rose 35.2% to $10.2m from $7.5m, while Rest of World revenue increased 15.7% to $14.9m from $12.9m. We expect Rest of World revenue to be more weighted to the second half.

Gross margin was 43.8% compared with 43.2% in 1H26, producing gross profit of $62.9m relative to $49.7m (+26.6%). Expenses were $51.1m, up on the prior comparable period (pcp) of $44.3m but in relation to revenue, our well-controlled spend has fallen from 38.6% to 35.6%. The cost increase reflects our deliberate ongoing choice to invest in growth rather than optimise short-term earnings, with expenditure directed to the R&D pipeline, the establishment and scaling of international affiliates, and local market development.

The adjusted operating profit was $13.3m compared to $4.7m for the pcp, a 180.5% improvement due to strong performances in the Australian, New Zealand and Asian markets.

Group operating profit was $12.0m compared with $4.7m for the pcp. This unadjusted profit number includes a non-cash intangible asset write-down of $1.2m for NasoSURF.

These profit outcomes should therefore be viewed alongside the 25.0% increase in revenue and ongoing improvements in operating leverage.

After net finance costs and tax, net profit after tax was $6.9m, compared with $2.7m in 1H26. R&D expenditure, both expensed and capitalised, was $12.8m, consistent with AFT's published FY27 expectation of $22m to $25m and significantly up from $9.5m in 1H26, in line with our focus on the R&D pipeline.

International progress

We continued to build the international business hubs that extend the commercial model proven in Australasia. In the United States, we launched Combogesic Rapid through Mark Cuban's Cost Plus Drug Company at the end of 1H27, giving the product national availability, while Hikma continues to distribute Combogesic IV. We expect progress in this complex market to become clearer by the end of FY27.

In Asia, we entered agreements to out-license Maxigesic IV in Japan and the Philippines. The Japan agreement provides for an upfront fee, development milestones, royalties, and product supply, with the local partner leading regulatory submissions and commercialisation. We are also continuing product launches and a significant number of regulatory filings across Singapore and Hong Kong.

In Canada, we have appointed a Key Account Manager to support several over-the-counter (OTC) launches. In the United Kingdom, we continue to broaden distribution and progress regulatory filings to help the product launch pipeline. Launch programmes are progressing in South Africa too. Across our business hubs, 90 regulatory filings had been submitted, 115 were in preparation and a further 142 were in the pipeline at the end of 1H27.

The significant scale of this programme will provide a broad base for future product launches, although new hubs require ongoing investment as they develop. We are also continuing with an in-licensing programme to further fuel our product pipeline and a key part is, wherever possible, to extend the countries covered to our new affiliates, in addition to Australasia.

Research and development

Our R&D portfolio now comprises eight patented projects, 24 off-patent injectables and other projects entering commercialisation. The portfolio spans injectables, dermatology, eyecare and pain, and addresses markets which AFT estimates are collectively worth several billion US dollars. We continue to fund this programme from cashflows generated by our operations and to pursue a mix of direct commercialisation, licensing, milestones, royalties, supply margins, and profit shares.

Feramyl IV, our novel intravenous iron therapy, progressed with activation of the first sites for a 1,366-patient global confirmatory Phase 3 study. The programme has an open US FDA Investigational New Drug application and Japan's Pharmaceuticals and Medical Devices Agency (PMDA) has approved Japan's inclusion in the study.

Scomara™ received tentative US FDA approval for Facial Angiofibromas associated with Tuberous Sclerosis. US commercialisation is delayed by existing orphan exclusivity until March 2029, but the approval supports registrations in other markets where that exclusivity does not apply.

Our partnership with Stablepharma received further validation when positive first-in-human vaccine study results using related fridge-free technology were published in *The Lancet*. We are advancing the first two fridge-free medicine formulations under our existing development agreement and in addition, have signed a letter of intent covering distribution of Stablepharma's vaccine in selected AFT markets.

Our wider pipeline continues to progress, including the novel injectable formulation option, antibiotic eyedrop, topical dermatology projects and additional Maxigesic dose forms.

Balance sheet

At 30 September 2026 our net assets were $114.4m relative to $97.9m for the pcp. Current assets of $152.0m are 42.0% higher, largely due to the increase in inventory which we have deliberately managed at higher levels to support growth, upcoming launches and ensure continuity of supply in light of geopolitical and supply chain uncertainties.

AFT remains well funded at 30 September 2026, with net bank debt at $31.4m, up on $20.9m from last September but a necessary increase due to the funding of our R&D programme.

Governance

At the 2026 Annual Shareholders' Meeting, Chair David Flacks signalled his intention to retire from the Board within 12 months and after a successor has been appointed. The Board's search for a successor is continuing. David will remain Chair through the transition and continue to work with the Board and management during this process.

Outlook

Our outlook for FY27 remains positive. We have reaffirmed our target of at least $300m revenue and expect to reach at least the upper end of the adjusted operating profit guidance of $28m to $32m. As in prior years, we expect sales and earnings to be weighted to the second half, supported by product launches, ongoing expansion of the Australasian portfolio, scaling international hubs and licensing activity.

Our priorities remain: disciplined execution of the launch programmes, converting R&D progress into clinical, regulatory and commercial value, strengthening our international affiliates, and continuing to invest in all our markets.

We will continue to report on our progress through sales growth, product launches, licensing agreements, regulatory and clinical milestones, and contributions from newer markets. Our investment in R&D, international affiliates and core markets affects near-term earnings, but is intended to extend AFT's long record of revenue growth and build future shareholder value.

We thank our shareholders for their continuing support, our customers and partners for their trust, and our people for their commitment and hard work.

With our best wishes for the remainder of the year,



David Flacks
Chair

Dr Hartley Atkinson
Managing Director

GAAP to Non-GAAP Reconciliation

	6 Months Ended 30 Sep 2026 $'000	6 Months Ended 30 Sep 2025 $'000	12 Months Ended 31 Mar 2026 $'000
Reported net profit for the period (GAAP)	**6,854**	**2,724**	**14,079**
Add back:			
Income tax expense	3,193	1,713	7,795
Net interest expense	1,637	1,225	2,480
Other finance (gain)/loss	352	(925)	91
Operating profit	**12,036**	**4,737**	**24,445**
Adjustments:			
Impairment of intangibles	1,249	-	-
Adjusted operating profit	**13,285**	**4,737**	**24,445**
Add back:			
Depreciation and amortisation	2,170	1,819	3,699
Adjusted EBITDA	**15,455**	**6,556**	**28,144**

GAAP to Non-GAAP Reconciliation

AFT's standard profit measure prepared under New Zealand Generally Accepted Accounting Principles (GAAP) is net profit. AFT has used non-GAAP measures when discussing financial performance in this document. The directors and management believe that these measures provide useful information as they are used internally to evaluate total group performance and to establish operating and capital budgets. Non-GAAP profit measures are not prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and are not uniformly defined; therefore, the non-GAAP profit measures included in this report are not comparable with those used by other companies. They should not be viewed in isolation or as a substitute for GAAP profit measures as reported by AFT in accordance with NZ IFRS.

Definitions

Operating profit: Earnings before interest, taxation and other finance (gains)/losses.

Adjusted operating profit: Operating profit before interest, taxation, other finance (gains)/losses, impairments and other one-off items.

Adjusted EBITDA: Adjusted operating profit before depreciation and amortisation.

AFT Pharmaceuticals Limited

Consolidated Condensed Interim Financial Statements

for the six months ended 30 September 2026

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CONSOLIDATED CONDENSED INCOME STATEMENT

For the six months ended 30 September 2026

	Note	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Revenue	4	143,635	114,942	254,705
Cost of sales		(80,747)	(65,252)	(144,154)
Gross profit		**62,888**	**49,690**	**110,551**
Other income/(expenses)		275	(636)	(410)
Selling and distribution expenses		(34,608)	(30,202)	(58,663)
General and administrative expenses		(8,962)	(8,001)	(15,957)
Research and development expenses	5	(7,541)	(6,114)	(11,076)
Share of (loss) of associate		(16)	-	-
Operating profit		**12,036**	**4,737**	**24,445**
Finance income		71	5	6
Interest costs		(1,708)	(1,230)	(2,486)
Other finance (loss)/gain		(352)	925	(91)
Profit before tax		**10,047**	**4,437**	**21,874**
Income tax expense	6	(3,193)	(1,713)	(7,795)
Profit for the period		**6,854**	**2,724**	**14,079**
Profit/(loss) attributable to:				
Equity holder of the company		6,951	3,298	14,730
Non-controlling interest		(97)	(574)	(651)
		6,854	2,724	14,079
Earnings per share (EPS), expressed in cents per share from profit attributable to equity holders of the company				
Basic and diluted EPS		6.5	2.6	13.4

CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2026

	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Profit for the period (after tax)	**6,854**	**2,724**	**14,079**
Other comprehensive income			
Items that may be reclassified to the income statement:			
Foreign currency translation differences	1,022	64	(252)
Other comprehensive income/(loss) for the period	**1,022**	**64**	**(252)**
Total comprehensive income for the period	7,876	2,788	13,827
Total comprehensive income for the period is attributable to:			
Equity holder of the parent	7,973	3,362	14,478
Non-controlling interest	(97)	(574)	(651)
Total comprehensive income for the period	**7,876**	**2,788**	**13,827**

CONSOLIDATED CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Note	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Current assets				
Cash and cash equivalents		21,145	12,099	10,240
Trade and other receivables		48,705	36,948	64,237
Inventories		82,115	57,842	74,066
Derivative assets		-	92	-
Total current assets		**151,965**	**106,981**	**148,543**
Non-current assets				
Property, plant and equipment		629	425	399
Intangible assets	8	73,194	60,373	64,301
Right-of-use assets		2,738	3,171	2,963
Investment in associates		183	-	-
Deferred tax	6	1,853	672	804
Total non-current assets		**78,597**	**64,641**	**68,467**
Total assets		**230,562**	**171,622**	**217,010**
Current liabilities				
Trade and other payables		43,756	27,682	39,218
Provisions		6,657	6,088	6,639
Lease obligations	9	873	854	935
Related party loan	9	1,799	1,158	1,694
Derivative liabilities		1,464	-	937
Current income tax liability	6	6,657	1,995	7,040
Interest-bearing liabilities	9	-	32,987	9,884
Total current liabilities		**61,206**	**70,764**	**66,347**
Non-current liabilities				
Lease liabilities	9	2,437	2,871	2,594
Interest-bearing liabilities	9	52,500	-	39,000
Total non-current liabilities		**54,937**	**2,871**	**41,594**
Total liabilities		**116,143**	**73,635**	**107,941**
Equity				
Paid-in capital	7	78,269	78,240	78,240
Retained earnings		36,701	20,951	32,384
Share options reserve	7	172	51	93
Foreign currency translation reserve		587	(119)	(435)
Shareholder funds		**115,729**	**99,123**	**110,282**
Non-controlling interests		(1,310)	(1,136)	(1,213)
Total equity		**114,419**	**97,987**	**109,069**
Total equity and liabilities		**230,562**	**171,622**	**217,010**

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2026

	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Cash flows from operating activities			
Receipts from customers	163,097	125,966	240,390
Payments to suppliers and employees	(138,299)	(121,129)	(244,805)
Income tax paid	(4,453)	(4,361)	(5,124)
Net cash generated from operating activities	**20,345**	**476**	**(9,539)**
Cash flows from investing activities			
Purchase of property, plant and equipment	(407)	(64)	(116)
Purchase of intangible assets	(8,752)	(3,431)	(9,641)
Acquisition of shares in other companies	(200)	-	-
Net cash used in investing activities	**(9,359)**	**(3,495)**	**(9,757)**
Cash flows from financing activities			
Proceeds from issue of share capital	29	-	-
Dividends paid to company shareholders	(2,634)	(1,887)	(1,887)
Lease payments	(477)	(410)	(850)
Net interest received/(paid)	(1,637)	(1,225)	(2,480)
Proceeds from borrowings	34,900	9,500	92,400
Repayment of borrowings	(31,284)	(3,000)	(79,000)
Proceeds from related party loan	-	75	611
Net cash used in financing activities	**(1,103)**	**3,053**	**8,794**
Net increase/(decrease) in cash and cash equivalents	9,883	34	(10,502)
Impact of foreign exchange on cash and cash equivalents	1,022	68	(252)
Cash and cash equivalents at beginning of period	10,240	11,110	11,110
Cash and cash equivalents at end of period	**21,145**	**11,212**	**356**
Represented by:			
Cash and cash equivalents	21,145	12,099	10,240
BNZ overdraft	-	(887)	(9,884)
	21,145	**11,212**	**356**

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2026

Reconciliation of Profit for the Period with Net Cash Flows from Operating Activities

	Note	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Profit after tax		**6,854**	**2,724**	**14,079**
Adjustments for non-cash items and items classified as financing activities				
Non-cash				
Depreciation		660	538	1,081
Amortisation		1,510	1,281	2,618
Intangible disposals		-	-	945
Share options expense		79	10	52
Provision for tax expense		(1,432)	(2,648)	2,265
Impairment of intangibles	5	1,249	-	-
Unrealised loss on foreign currency exchange contracts		632	96	1,129
Share of loss of equity-accounted investee		16	-	-
Total non-cash adjustments		**2,714**	**(723)**	**8,090**
Financing				
Net interest		1,637	1,225	2,480
Total financing adjustments		**1,637**	**1,225**	**2,480**
Movement in assets and liabilities				
(Increase) in inventories		(8,049)	(9,366)	(25,590)
(Increase)/decrease in trade and other receivables		15,532	11,616	(15,673)
Increase/(decrease) in trade and other payables		1,657	(5,000)	7,075
Net cash flows from operating activities		**20,345**	**476**	**(9,539)**

CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2026

	Note	Share capital	Share options reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance 1 April 2026 (audited)		**78,240**	**93**	**(435)**	**32,384**	**110,282**	**(1,213)**	**109,069**
Profit for the period (after tax)		-	-	-	6,951	6,951	(97)	6,854
Other comprehensive income		-	-	1,022	-	1,022	-	1,022
Total comprehensive income		**-**	**-**	**1,022**	**6,951**	**7,973**	**(97)**	**7,876**
Issue of share capital	7	29	-	-	-	29	-	29
Movement in share options reserve		-	79	-	-	79	-	79
Dividends paid	7	-	-	-	(2,634)	(2,634)	-	(2,634)
Balance 30 September 2026 (unaudited)		**78,269**	**172**	**587**	**36,701**	**115,729**	**(1,310)**	**114,419**
Balance 1 April 2025 (audited)		**78,240**	**41**	**(183)**	**19,541**	**97,639**	**(562)**	**97,077**
Profit for the period (after tax)		-	-	-	3,298	3,298	(574)	2,724
Other comprehensive income		-	-	64	-	64	-	64
Total comprehensive income		**-**	**-**	**64**	**3,298**	**3,362**	**(574)**	**2,788**
Movement in share options reserve		-	10	-	-	10	-	10
Dividends paid	7	-	-	-	(1,888)	(1,888)	-	(1,888)
Balance 30 September 2025 (unaudited)		**78,240**	**51**	**(119)**	**20,951**	**99,123**	**(1,136)**	**97,987**
Balance 1 April 2025 (audited)		**78,240**	**41**	**(183)**	**19,541**	**97,639**	**(562)**	**97,077**
Profit for the period (after tax)		-	-	-	14,730	14,730	(651)	14,079
Other comprehensive income		-	-	(252)	-	(252)	-	(252)
Total comprehensive income		**-**	**-**	**(252)**	**-**	**(252)**	**-**	**(252)**
Movement in share options reserve		-	52	-	-	52	-	52
Dividends paid	7	-	-	-	(1,887)	(1,887)	-	(1,887)
Balance 31 March 2026 (audited)		**78,240**	**93**	**(435)**	**32,384**	**110,282**	**(1,213)**	**109,069**

Notes to the Consolidated Condensed Interim Financial Statements

For the six months ended 30 September 2026

Note 1 - General Information

AFT Pharmaceuticals Ltd (the 'Company' or 'parent') is a profit-orientated company that is domiciled and incorporated in New Zealand. The Company is registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange (NZX) and the Australian Stock Exchange (ASX). The Company is an FMC entity for the purposes of Part 7 of the Financial Markets Conduct Act 2013.

The unaudited financial statements presented are for AFT Pharmaceuticals Ltd ('AFT' or 'the Group') as at, and for, the six months ended 30 September 2026. The Group comprises the Company, its subsidiaries and associate.

The interim financial statements and the comparative information for the six months ended 30 September 2025 are unaudited. The comparative information for the year ended 31 March 2026 is audited.

The Group is a pharmaceutical distributor and developer of pharmaceutical intellectual property.

The Group's profitability in the second half is typically stronger than the first, driven by seasonal demand patterns and the timing of customer orders.

Note 2 - Basis of Preparation

The interim financial statements have been prepared in accordance with New Zealand Generally Accepted Account Practice (NZ GAAP) as applicable to interim financial statements, and as appropriate to profit oriented entities. They comply with NZ IAS 34 Interim Financial Reporting.

The half year financial report does not include all notes of the type normally included within the annual financial report and, therefore, cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as does the full financial report.

It is recommended that the half year financial report be read in conjunction with the annual report for the year ended 31 March 2026 and considered together with any public announcements made by AFT Pharmaceuticals Limited during the half year ended 30 September 2026 in accordance with the continuous disclosure obligations of the NZX and ASX listing rules.

All accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars ($000).

No new or amended accounting standards and interpretations that became effective in the six months ended 30 September 2026 have a material impact on the Group.

A number of new standards and interpretations effective at 30 September 2026 are available for early adoption but are not mandatory. The Group has not early adopted any of the new standards and interpretations. The impact of these new standards and interpretations on the financial statements has not been assessed.

Significant transactions and events in the six months ended 30 September 2026 are disclosed in the notes to these interim financial statements.

Note 3 - Segment Reporting

Executive management of the Group monitors the operating results of four geographic areas (Australia, New Zealand, Asia, Rest of World). These operating area performances are evaluated based on operating profit or loss. Capital expenditure consists of additions of property, plant and equipment and intangible assets. The Group has determined that these operating areas represent four reportable segments. These reportable segments do not include taxation and Head Office-related costs.

	Operating Segments					
For the six months ended 30 September 2026 (unaudited)	**Australia $'000**	**New Zealand $'000**	**Asia $'000**	**Rest of World $'000**	**Head Office $'000**	**Total $'000**
Total revenue	**87,386**	**31,141**	**10,153**	**14,955**	**-**	**143,635**
Other income	-	-	-	275	-	275
Expenses	66,633	26,334	6,752	22,162	7,823	129,704
Depreciation and amortisation	290	83	-	1,510	287	2,170
Segment operating profit/(loss)	**20,463**	**4,724**	**3,401**	**(8,442)**	**(8,110)**	**12,036**
Finance costs (net)					1,637	1,637
Other finance loss/(gains)					352	352
Profit/(loss) before tax	**20,463**	**4,724**	**3,401**	**(8,442)**	**(10,099)**	**10,047**
Segment assets	80,332	60,860	757	85,557	3,056	230,562
ROU assets	433	116	-	-	2,189	2,738
Property, plant and equipment	142	-	-	-	487	629
Pascomer IP	-	-	-	12,500	-	12,500
Other intangible assets	-	-	-	60,694	-	60,694
Segment liabilities	11,027	44,235	1	6,368	54,512	116,143
Net assets	**69,305**	**16,625**	**756**	**79,189**	**(51,456)**	**114,419**
Capital expenditure	**162**	**-**	**-**	**11,612**	**245**	**12,019**

	Operating Segments					
For the six months ended 30 September 2025 (unaudited)	**Australia $'000**	**New Zealand $'000**	**Asia $'000**	**Rest of World $'000**	**Head Office $'000**	**Total $'000**
Total revenue	**66,483**	**28,026**	**7,509**	**12,924**	**-**	**114,942**
Other income	-	-	-	(636)	-	(636)
Expenses	56,640	23,882	5,412	16,653	6,435	109,022
Depreciation and amortisation	275	31	-	1,281	232	1,819
Segment operating profit/(loss)	**9,568**	**4,113**	**2,097**	**(4,374)**	**(6,667)**	**4,737**
Finance costs (net)					1,225	1,225
Other finance loss/(gains)					(925)	(925)
Profit/(loss) before tax	**9,568**	**4,113**	**2,097**	**(4,374)**	**(6,967)**	**4,437**
Segment assets	59,482	43,812	4	67,655	669	171,622
ROU assets	1,375	111	-	-	1,685	3,171
Property, plant and equipment	147	-	-	8	270	425
Pascomer IP	-	-	-	12,500	-	12,500
Other intangible assets	-	-	-	47,873	-	47,873
Segment liabilities	11,651	24,770	-	2,955	34,259	73,635
Net assets	**47,831**	**19,042**	**4**	**64,700**	**(33,590)**	**97,987**
Capital expenditure	**5**	**-**	**-**	**3,440**	**50**	**3,495**

For the year ended 31 March 2026 (audited)	Operating Segments					
	Australia $'000	New Zealand $'000	Asia $'000	Rest of World $'000	Head Office $'000	Total $'000
Total revenue	**150,826**	**59,705**	**15,648**	**28,526**	**-**	**254,705**
Other income	-	-	-	(410)	-	(410)
Expenses	119,958	50,241	11,895	32,305	12,572	226,971
Depreciation and amortisation	551	63	-	2,618	467	3,699
Segment operating profit/(loss)	**30,317**	**9,401**	**3,753**	**(5,987)**	**(13,039)**	**24,445**
Finance costs (net)					2,480	2,480
Other finance loss/(gains)					91	91
Profit/(loss) before tax	**30,317**	**9,401**	**3,753**	**(5,987)**	**(15,610)**	**21,874**
Segment assets	73,639	66,896	547	73,087	2,841	217,010
ROU assets	552	151	-	-	2,260	2,963
Property, plant and equipment	39	-	-	-	360	399
Pascomer IP	-	-	-	12,500	-	12,500
Other intangible assets	-	-	-	51,801	-	51,801
Segment liabilities	15,709	47,149	5	6,377	38,701	107,941
Net assets	**57,930**	**19,747**	**542**	**66,710**	**(35,860)**	**109,069**
Capital expenditure	**-**	**-**	**-**	**9,641**	**116**	**9,757**

The revenue information above is based on the delivery destination of sales.

The Group has four customers who account for more than 10% of total revenues for the current six month period (six months ended 30 September 2025: two customers; year ended 31 March 2026: two customers).

Note 4 - Revenue from Operations

	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Sale of goods	140,455	111,577	248,135
Royalty income	2,125	1,427	3,511
Licensing income	1,055	1,938	3,059
Total revenue from operations	**143,635**	**114,942**	**254,705**

30 September 2026

Material licensing income recognised to the period ended was $1.1m. On the 28 September 2026 the Group announced it has entered into an exclusive development, licence and supply agreement with MIKASASEIYAKU CO. LTD. ("Mikasa"), for the development and commercialisation of AFT's intravenous fixed-dose combination analgesic, Maxigesic IV (also known as Combogesic IV), in Japan. Under the agreement, AFT grants Mikasa an exclusive licence to seek marketing authorisation, and to commercialise the product throughout Japan.

Note 5 - Other Expenses

In respect of NasoSURF, an ultrasonic nasal mesh nebuliser designed for the intranasal delivery of medication, this development asset should be impaired. The Group has decided to reprioritise resources onto other R&D projects and taken the decision to impair this asset.

The write-down of $1.2m has been recorded in R&D expenses for the six months ended 30 September 2026.

Note 6 - Taxation

The parent has been successful in its request that the Commissioner of Inland Revenue exercise their statutory discretion under section 113 of the Tax Administration Act 1994 to amend AFT's income tax assessments for the period 2019 to 2024. This was specifically in respect of the ability to deduct product registration costs in the parent's annual tax assessments. This result has enabled the Group to recognise a tax receivable, and corresponding deferred tax liability, of $1.3m in the interim financial statements for the six months ended 30 September 2026. There was no income statement impact.

Note 7 - Equity

7.1 Dividends

On 25 November 2026, the Board declared an interim dividend of 1.0 cent per share for the six months ended 30 September 2026. A dividend of 2.5 cents per share was declared by the Board on 21 May 2026 in respect of FY26; $2.6m was paid on 03 July 2026.

7.2 Share capital

On 19 June 2026, a total of 8,400 shares was issued at $3.46 per share to an employee exercising options under the AFT Pharmaceuticals Limited Long-Term Incentive Plan. Total shares on issue after this issue was 104,874,660.

Shares on issue at 30 September 2025 and 31 March 2026 were 104,866,260.

During 1H27, 495,000 Options were issued. Total Options on issue as at 30 September was 651,000.

Note 8 - Intangible Assets

8.1 Assets valuation

Except for the impairment detailed in note 5, no material asset impairment was recognised in the six months ended 30 September 2026 or 30 September 2025 (31 March 2026: nil).

Impairment testing

Management annually undertakes impairment testing on the intangible assets recognised by the Group, or when management or the Board determines there is an indication that an impairment exists.

In respect of the Pascomer intellectual property asset, the impairment test uses the value-in-use methodology. When the carrying value of an asset, exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of fair value less cost to sell and its value-in-use.

For the six months ended 30 September 2026, management has considered the following in assessing the Pascomer asset valuation:

- Current and estimated future profitability;
- An independent valuation performed at 31 March 2026, which indicated the carrying amount of the Pascomer asset was significantly below its fair value;
- Nothing has come to management's attention in the six months ended 30 September 2026 to indicate that these positive findings are no longer valid. If anything, the asset value has been further confirmed by securing 'tentative regulatory approval' from the FDA (under the brand Scomara™). Tentative refers to approval being confirmed but not yet placed on the market until exclusivity for the competitor, Nobelpharma, has expired on 22 March 2029. This tentative approval will confer on AFT the ability to accelerate regulatory approval in non-USA territories.

Refer to the audited financial statements for the year ended 31 March 2026 for details on the last impairment test completed.

Management will undertake a new impairment test at 31 March 2027.

8.2 Asset acquisition - Purchase of product rights in South Africa

On 27 March 2026, AFT Pharmaceuticals SA Proprietary Limited (AFT South Africa) entered into a conditional sale of assets agreement with Pharma Dynamics Proprietary Limited to acquire a portfolio of pharmaceutical product rights in South Africa for a total consideration of ZAR 60.0m (NZ$6.3m). The conditions were met and legal title and ownership transferred to the Group in April 2026. This acquisition has been recognised in intangible assets as at 30 September 2026.

Note 9 - Interest-bearing Liabilities

	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Current lease liabilities	873	854	935
Non-current lease liabilities	2,437	2,871	2,594
Related party loan	1,799	1,158	1,694
BNZ overdraft	-	887	9,884
BNZ term loans current portion	-	32,100	-
BNZ term loans non-current portion	52,500	-	39,000
Total	**57,609**	**37,870**	**54,107**
Opening balance of BNZ term loans	**39,000**	**25,600**	**25,600**
BNZ loans drawn down	34,900	9,500	92,400
Repayment of principal	(21,400)	(3,000)	(79,000)
Closing balance	**52,500**	**32,100**	**39,000**

As at 30 September 2026, the draw-down on the BNZ loans was $52.5m (30 September 2025: $32.1m; 31 March 2026: $39.0m).

The BNZ loans have a general security over the assets of the Group, together with a Group guarantee.

All covenants relating to the BNZ facilities have been complied with for the six months ending 30 September 2026 (30 September 2025 and 31 March 2026: covenants were complied with).

Significant changes in the secured debt are summarised as follows:

31 March 2026

On 05 December 2025 the BNZ facility was renewed for a further three-year term, maturing on 08 December 2028. This facility is for $48.0m. Further details can be found in the Group's Annual Report for the year ended 31 March 2026.

30 September 2026

On 18 June 2026, a new debt facility for $7.5m was executed with the BNZ with maturity through to 08 December 2028. The interest rates applicable are the same as the $48.0m facility. This new three-year loan replaced the temporary increase of $10.0m in the overdraft facility, which returned to the original limit of $2.0m. Total available facilities to the Group are $57.5m.

Note 10 - Contingent Liabilities and Commitments

10.1 Contingent liabilities

	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Guarantees	279	267	279

The Group has guarantees with its banking partner, and the landlords of two leased buildings within the Group. In this respect the Group treats the guarantee contract as contingent liabilities until it becomes probable that the Group will be required to make payments under the guarantees.

10.2 Commitments

The Group has no capital commitments at 30 September 2026 (30 September 2025 and 31 March 2026: none).

Note 11 - Related Parties

The Group had related party relationships with the following entities:

Related party	Nature of relationship
Atkinson Family Trust	AFT Managing Director, Dr Hartley Atkinson, is a Trustee/Discretionary Beneficiary of Atkinson Family Trust. AFT Chief of Staff, Marree Atkinson, is a Discretionary Beneficiary of Atkinson Family Trust.
Edge Group	Minority shareholder of AFT Pharma UK Limited. Related party loan.

	Unaudited 6 Months Ended 30 Sep 2026 $'000	Unaudited 6 Months Ended 30 Sep 2025 $'000	Audited 12 Months Ended 31 Mar 2026 $'000
Related party loan	**1,799**	**1,158**	**1,694**

Note 12 - Subsequent Events

The Board approved an interim dividend of 1.0 cent per share for the six months ended 30 September 2026 on 25 November 2026 (1H26 no interim dividend). Refer note 7.

Directory

Directors	Dr Hartley Atkinson Marree Atkinson David Flacks (Chair) Andrew Lane Dr Ted Witek Allison Yorston
Registered Offices	Level 1, 129 Hurstmere Road, Takapuna, Auckland 0622, New Zealand. +64 9 488 0232 www.aftpharm.com 113 Wicks Road, North Ryde NSW 2113, Australia. +61 2 9420 0420
Principal Banker	Bank of New Zealand Limited
Solicitor	Harmos Horton Lusk
Group Auditor	Deloitte Limited, Auckland
Stock Exchanges	The Company's shares trade on both the New Zealand Stock Exchange (NZX) and the Australia Stock Exchange (ASX). NZX Trading Code: AFT ASX Trading Code: AFP
Share Registrar	Computershare Investor Services Limited Level 2, 159 Hurstmere Road, Takapuna, Auckland 0622, New Zealand. +64 9 488 8777 enquiry@computershare.co.nz Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067, Australia. +61 3 9415 4083 enquiry@computershare.co.nz

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