

AFT Pharmaceuticals

Making progress on growth strategy

AFT Pharmaceuticals has provided an [investor update](#) for Q2 CY25 (Q1 FY26), summarising material progress made across its global expansion and R&D-driven growth strategy. The highlight of the period was the launch of Maxigesic IV/Combogesic IV in Canada, marking the beginning of direct sales in North America. This, along with the expanded licensing and profit-share agreement with Hikma in May 2025 (to include distribution of Combogesic Rapid in the US), provides AFT with a solid foundation to expand its footprint in these key global markets. The period also saw notable R&D progress including a pre-investigational new drug (IND) filing with the FDA for AFT's antibiotic eyedrop targeting resistant ocular infections (eg MRSA), and preparations for filings related to its strawberry birthmarks topical (pre-IND) treatment and the Phase-III ready novel injectable iron therapy. A paediatric study of Maxigesic IV is also planned, which could expand the addressable patient populations.

Year end	Revenue (NZDm)	PBT (NZDm)	EPS (NZc)	DPS (NZc)	P/E (x)	Yield (%)
3/24	195.4	23.0	15.85	1.60	18.3	0.6
3/25	208.0	17.7	12.47	1.80	23.3	0.6
3/26e	242.2	21.1	14.99	2.02	19.3	0.7
3/27e	287.0	26.8	18.97	2.18	15.3	0.8

Note: PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

Expanding its international presence by developing business hubs in key markets (such as the UK, the US, Canada and South Africa) has been a key business priority for AFT, and we see the recent launch of Combogesic IV in the region as a major step forward. The IV formulation (sold in over 50 countries globally) is a proprietary mix of 1,000mg paracetamol and 300mg ibuprofen, offering a non-opioid alternative to post-operative mild to moderate pain. Management aims to combine the IV and tablet formulations as an effective alternative to opioids in both the operative and post-discharge setting. In this context, we view the recent deal amendment with Hikma (to include the distribution of Combogesic Rapid tablets in addition to IV across all distribution channels, except for markets targeted by Alexso under the [June 2024](#) licensing agreement) as another strategic step towards streamlining sales efforts to help maximise commercial potential. North America and, in particular, the US are the largest markets for pain relief and offer the maximum growth potential.

Building a robust R&D pipeline is another key growth pillar for AFT and the company made significant progress in advancing its pipeline during the quarter. AFT has a total of 14 R&D projects, and we view the Phase-III ready novel injectable iron therapy asset (to be developed in partnership with Hyloris and targeting a [US \\$3.5bn](#) market) as holding the most near-term promise. We expect the upcoming IND application and subsequent Phase III initiation to be key upcoming catalysts. Progress across other assets is also encouraging, with IND applications planned for the antibiotic eyedrops (in-licensed from Latitude Pharmaceuticals in 2023) and topical strawberry birthmarks treatment before end-CY25. For further details on AFT's pipeline and strategy, we direct readers to our last [update note](#).

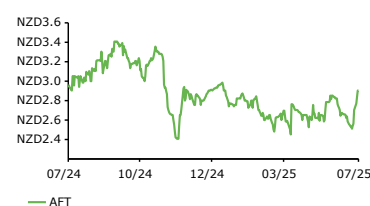
Portfolio update

Healthcare

3 July 2025

Price	NZD2.90
Market cap	NZD297m
	NZ\$0.6/US\$
Net debt as at 31 March 2025 (excluding lease liabilities and related party loans)	NZD14.5m
Shares in issue	104.9m
Code	AFT
Primary exchange	NZSE
Secondary exchange	ASX

Share price performance



Business description

AFT Pharmaceuticals is a specialty pharmaceutical company that operates primarily in Australasia but has product distribution agreements across the globe. The company's product portfolio includes prescription and over-the-counter (OTC) drugs to treat a range of conditions.

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