

ASX Announcement

Recce Receives AUD \$11.17m R&D Advance

Sydney Australia, 8 March 2024: Recce Pharmaceuticals Limited (**ASX:RCE**, **FSE:R9Q**), (the **Company**), the Company developing a New Class of Synthetic Anti-Infectives, is pleased to announce **AUD \$11,178,965** as an R&D Advance with Endpoints Capital (Endpoints) capturing Recce's Research and Development (R&D) tax incentive for FY23/24 & FY25.

Recce receives \$11.17 million in non-dilutive cash, reflecting R&D rebate credits for FY23/24, in addition to future anticipated R&D applicable expenditure for FY25 as well. This enables the Company to leverage its R&D expenditure benefits of the past, present and future R&D applicable expenditure on a here today basis, as achieved by this agreement.

The Company recently announced it received an Advanced Overseas finding awarded by the Australian Government (AUD \$54.9 million, largest awarded in Australian history), underscoring the advance funds from Endpoints and extending the 43.5% R&D rebate from locally, to cover those undertaken by the Company anywhere in the world for a period of three years (1 July 2022 to 30 June 2025).

The 15% per annum interest rate is a market leading rate, payable by way of offset against R&D refunds and secured against accrued R&D credits only. Any surplus to R&D rebates including around that of an imminent R&D rebate to FY23, is always that of Recce's.

James Graham, Chief Executive Officer of Recce Pharmaceuticals said, "Securing this advanced funding from Endpoints is a testament to the strength of Recce's scientific platform and the potential of our pipeline. This non-dilutive funding not only extends our financial runway but facilitates the acceleration of our multiple clinical programs. We thank Endpoints for having confidence in our vision and look forward to leveraging this partnership to drive meaningful progress in the fight against antimicrobial resistance."



ASX: RCE, FSE: R9Q

Head Office: Level 23, 180 George St, Salesforce Tower, SYDNEY NSW 2000 T +61 (02) 9256 2505

R&D Centre - Perth: Suite 10, 3 Brodie Hall Drive, Technology Park, BENTLEY WA 6102 T +61 (8) 9362 9860

Washington Office: 1717 Pennsylvania Avenue NW, Suite 1025, WASHINGTON DC 20006 USA

Andrew Stewart, Chief Executive Officer of Endpoints Capital said, “We are delighted to be working with Recce Pharmaceuticals and the critical work they are doing advancing this new class of synthetic anti-infectives to address unmet medical needs where no cure exists for antibiotic-resistant superbugs. In a vast landscape of biotech innovators, we are pleased to be collaborating with Recce Pharmaceuticals as they pave the way in advancing their infectious disease portfolio to their next primary efficacy endpoint.”

About Endpoints Capital

Endpoints Capital is an Australian-based R&D finance firm that specializes in providing financing solutions for biotechnology companies accessing the Australian research & development tax incentive scheme. Our mission is to address the funding challenges faced by biotechs, allowing them to focus on innovation and development. As an Australian private company with 30 years of life sciences experience, Endpoints Capital plays a crucial role in supporting the growth of the biotech industry in Australia.

This announcement has been approved for release by Recce Pharmaceuticals Board.



recce.com.au
ACN 124 849 065

Chief Executive Officer
James Graham
Recce Pharmaceuticals Ltd
james.graham@recce.com.au

Media and Investor Relations

Australia
Andrew Geddes
CityPR
+61 408 677 734
ageddes@citypublicrelations.com.au

USA
Michael Fitzhugh
LifeSci Communications
mfitzhugh@lifescicomms.com

Europe
Guillaume van Renterghem
LifeSci Advisors
gvanrenterghem@lifesciadvisors.com

About Recce Pharmaceuticals Ltd

Recce Pharmaceuticals Ltd (ASX: **RCE**, FSE: **R9Q**) is developing a New Class of Synthetic Anti-Infectives designed to address the urgent global health problems of antibiotic-resistant superbugs and emerging viral pathogens.

Recce's anti-infective pipeline includes three patented, broad-spectrum, synthetic polymer anti-infectives: RECCE® 327 as an intravenous and topical therapy that is being developed for the treatment of serious and potentially life-threatening infections due to Gram-positive and Gram-negative bacteria including their superbug forms; RECCE® 435 as an orally administered therapy for bacterial infections; and RECCE® 529 for viral infections. Through their multi-layered mechanisms of action, Recce's anti-infectives have the potential to overcome the hypercellular mutation of bacteria and viruses – the challenge of all existing antibiotics to date.

The FDA has awarded RECCE® 327 Qualified Infectious Disease Product designation under the Generating Antibiotic Initiatives Now (GAIN) Act – labelling it for Fast Track Designation, plus 10 years of market exclusivity post approval. Further to this designation, RECCE® 327 has been included on The Pew Charitable Trusts Global New Antibiotics in Development Pipeline as the world's only synthetic polymer and sepsis drug candidate in development. RECCE® 327 is not yet market approved for use in humans with further clinical testing required to fully evaluate safety and efficacy.

Recce wholly owns its automated manufacturing, which is supporting present clinical trials. Recce's anti-infective pipeline seeks to exploit the unique capabilities of its technologies targeting synergistic, unmet medical needs.



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Chief Executive Officer
James Graham
Recce Pharmaceuticals Ltd
james.graham@recce.com.au

Media and Investor Relations

Australia
Andrew Geddes
CityPR
+61 408 677 734
ageddes@citypublicrelations.com.au

USA
Michael Fitzhugh
LifeSci Communications
mfitzhugh@lifescicomms.com

Europe
Guillaume van Renterghem
LifeSci Advisors
gvanrenterghem@lifesciadvisors.com