EDISON

Recce Pharmaceuticals

Phase III Indonesian DFI trial underway

Clinical trial update

Healthcare

7 October 2025

Recce has reached a key milestone with the start of patient dosing in its Phase III Indonesian-focused study of the topical gel formulation (R327G) of its lead anti-infective therapeutic drug candidate, RECCE® 327 (R327), for the treatment of diabetic foot infections (DFIs). DFIs are the leading cause of limb morbidity in diabetic patients and an area of unmet need, as currently available topical drugs have limited effectiveness. Positive Phase III results could lead to Recce's earliest commercialisation opportunity, through a launch of R327G in South-East Asia in the DFI indication in H2 CY26. We now determine an rNPV valuation of A$600.2m (or A$2.24 per share), versus A$615.1m (or A$2.51 per share) previously.

Year end	Revenue (AUDm)	PBT (AUDm)	EPS (AUD)	DPS (AUD)	P/E (x)	Yield (%)
6/24	4.9	(17.8)	(0.10)	0.00	N/A	N/A
6/25	7.0	(22.1)	(0.09)	0.00	N/A	N/A
6/26e	8.5	(27.2)	(0.09)	0.00	N/A	N/A
6/27e	9.8	(57.5)	(0.20)	0.00	N/A	N/A

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

Positive interim data could lead to H2 CY26 launch

The Indonesian Phase III study has a double-blinded, placebo-controlled design, with a planned total enrolment of up to 310 patients, where R327G will be compared to placebo. While the company expects the study to run for c 12 months, Recce anticipates it may reach a statistically significant efficacy result after the completion of treatment on c 155 patients, which it plans to report as part of an interim analysis in H1 CY26. If results are positive, our model continues to assume a potential launch in Indonesia and other ASEAN territories in H2 CY26.

Australian Phase III start planned before end-CY25

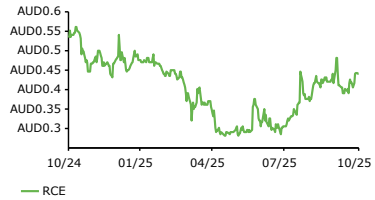
Recce also expects to start a registrational Phase III study in Australia in acute bacterial skin and skin surface infections (ABSSSI) in Q4 CY25, although details (enrolment target, endpoints and duration) have not yet been made public. The company also plans to submit an IND application with the US FDA in H1 CY26 for R327G, which would allow the drug to be assessed for ABSSSI in US clinical study sites. We model potential commercialisation for R327G in ABSSSI in CY28 in the US and Australia.

Valuation: Mild revisions to pipeline components

With the start of Phase III studies in DFI, we have raised our probability of success estimate for R327G in the DFI indication in South-East Asia to 45% (from 35% previously) and modestly raised our peak market share estimates. Given the company's focus on prioritising the R327G Phase III trials, we have also pushed back our commercialisation timeline for intravenous (IV) R327 to CY30 (vs H2 CY29). Given these changes, we now obtain an rNPV, including A$0.5m FY25 net debt, of A$600.2m (or A$2.24 per share), versus A$615.1m (or A$2.51 per share) previously. The reduction in the per-share value is due to the increase in share count since our prior note (from 249.7m).

Price	**AUD0.443**
Market cap	**AUD128m**
	A$0.65/US$
Net cash/(debt) at 30 June 2025	AUD(0.5)m
Shares in issue	289.2m
Code	RCE
Primary exchange	ASX
Secondary exchange	FSE

Share price performance



%	1m	3m	12m
Abs	4.1	47.5	(13.3)
52-week high/low		AUD0.6	AUD0.3

Business description

Recce Pharmaceuticals is an Australian company developing its novel, broad-spectrum synthetic polymer anti-infective drugs for the treatment of several infectious diseases, including sepsis, acute bacterial skin and skin structure infections, diabetic foot infections, burn wound infections and urinary tract infections.

Next events

Start Australian Phase III study in ABSSSI	Q4 CY25
Interim results from Indonesian Phase III DFI study	Q1 CY26

Analysts

Jyoti Prakash, CFA +44 (0)20 3077 5700

Pooya Hemami, OD, MBA, CFA +44 (0)20 3077 5700

healthcare@edisongroup.com

Edison profile page

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R327G reaches a key milestone

Recce has dosed its first patient in its Phase III Indonesian-focused study on the topical gel formulation (R327G) of its lead anti-infective therapeutic drug candidate, R327, for the treatment of DFIs. This marks a key milestone for the company as its strategic focus for CY25 has been on advancing R327G towards pivotal registration-enabling studies. The company expects that it will report interim data in H1 CY26; if positive signs of efficacy are shown, this could lead to regulatory clearance and commercialisation of R327G in Indonesia and other Association of Southeast Asian Nations (ASEAN) territories, marking Recce's potential transition into a commercial-stage pharma company.

The Indonesian Phase III study has a double-blinded, placebo-controlled design, with a planned total enrolment of up to 310 patients, where R327G will be compared to placebo. The study has activated five clinical study sites across one of the world's largest DFI patient populations. The company expects the study to run for approximately 12 months. However, given the high efficacy response rates shown in the Phase II ABSSSI study, Recce anticipates the Indonesian registrational Phase III DFI study may reach a statistically significant efficacy result after the completion of treatment on c 155 patients (compared to the trial's planned enrolment of up to 310 patients). Recce expects to report interim data (on c 106 patients) from the Phase III study, consistent with the BPOM (Indonesian Food and Drug Authority) approved study protocol, by Q1 CY26. If results are positive, our model continues to assume a potential launch in Indonesia and other ASEAN territories (which include Malaysia, the Philippines, Singapore and Thailand) in H2 CY26.

Recce is receiving significant infrastructure support for the registrational Phase III programme from key Indonesian stakeholders, including the Indonesian Ministry of Health and Indonesian biomedical company PT Etana Biotechnologies (as part of a strategic collaboration announced in Q1 of CY24).

Review of DFI market characteristics

DFIs are frequent complications of patients who have diabetes mellitus, particularly if the condition is not adequately controlled. Approximately 38 million people have diabetes in the US (and Recce estimates c 21 million adults in Indonesia alone, or c 11% of the country's adult population). Of this population, about 2–4% will experience foot ulceration each year, of which 50–60% will result in DFIs due to the invasion and multiplication of surrounding microorganisms in the area, resulting in an inflammatory response and tissue damage. DFIs are the leading cause of foot morbidity in diabetic patients as well as the most common complication from diabetes leading to hospitalisation. About 20% of moderate to severe DFIs lead to amputation.

Exhibit 1: Background on ABSSSI and DFIs

Acute Bacterial Skin and Skin Structure Infections (ABSSSI) and Diabetic Foot Infections (DFIs)

ABSSSI & DFI – Unmet clinical needs

- **Diabetic foot ulcers and infections are common complications that can lead to amputations.**
- **About 50%–60% of ulcers develop infection** which is the leading pathology that devastates most diabetic feet.
- **Readmission rates** for patients with diabetic foot infections **are approximately 40%** and there is almost **a one in six mortality** within 1 year of infection.
- Several pathogens, such as *Staphylococcus aureus*, *Enterococcus*, *Pseudomonas aeruginosa*, and *Escherichia coli*, typically cause DFI infections, with **50-80% of wounds being polymicrobial.**
- **During the last decades, a significant increase in the prevalence of methicillin-resistant *Staphylococcus aureus* has been detected among hospitalised patients with diabetes with skin infections.**

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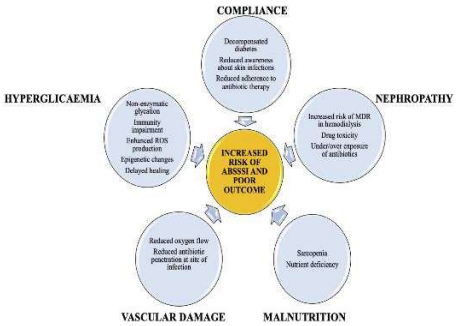


Several factors affect risk and outcome of ABSSSIs in patients with diabetes mellitus

Source: Recce Pharmaceuticals KOL presentation, March 2025

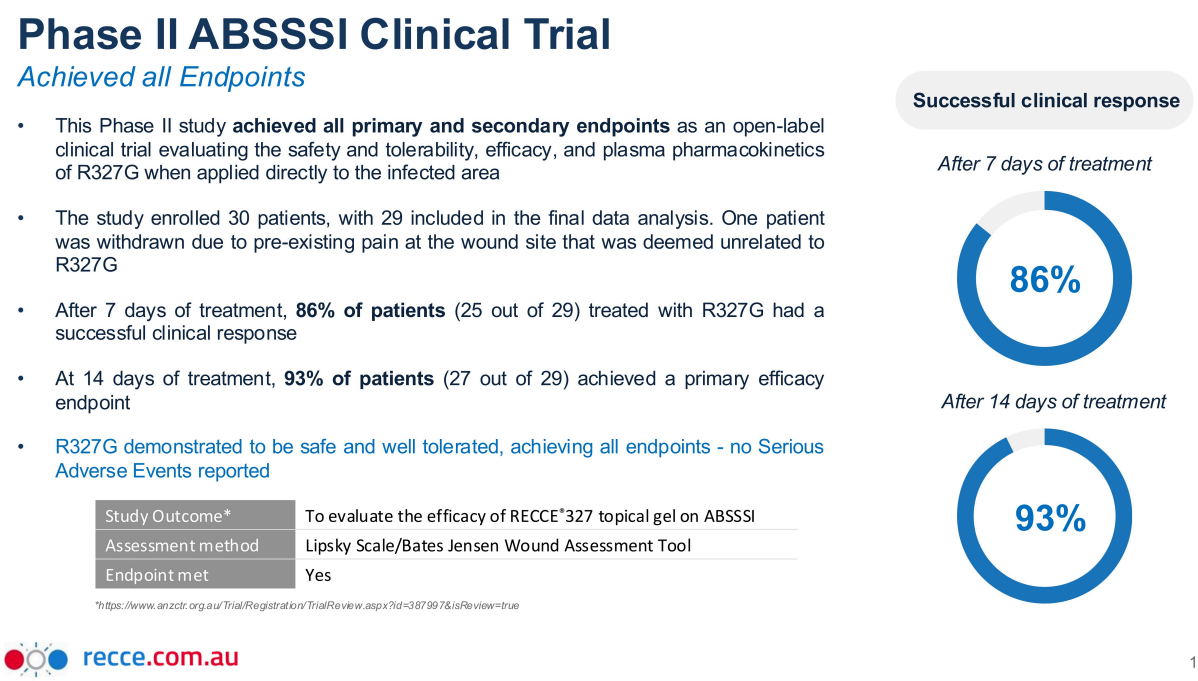
While most DFIs are located at relatively superficial layers upon initial clinical presentation, the infecting microorganisms can spread to deeper tissues, such as fascia, tendons, muscles, joints and bones. Generally, targeted systemic (oral or IV) antibiotic or anti-infective therapy is the primary approach for treating DFIs, but certain more complex forms, such as osteomyelitis (inflammation of the bone), require surgical debridement. Topical agents (such as silver preparations, antiseptics, bacteriophage therapy and honey dressings) have been used (usually off-label) in many cases, but these are typically adjunctive to the systemic treatments and thus not likely to be used as a standalone therapy. R327G is well-differentiated from these topical agents as it has distinct and multi-faceted mechanisms of action and is being advanced as a front-line standalone therapy.

Supportive R327G clinical data for DFIs and ABSSSI

The first material clinical evidence of R327's potential efficacy as a treatment for DFIs was data in early 2024 from Recce's Phase I/II study assessing topical R327 in DFIs. This study met all primary endpoints on five patients, providing proof-of-concept for topical R327 in this indication. In the trial, patients with mild skin and soft tissue DFIs were treated with topical R327, either daily or every second day, for 14 days. Recce reported that the study's independent safety committee confirmed the study achieved its primary safety, tolerability and efficacy endpoints (including resolving or curing bacterial DFIs). In 80% (four of five) of patients, R327G led to complete cure at the end of the 14-day therapy period, and in all cases, at the midpoint of therapy (day seven), a significant reduction of the infection was shown.

In February 2025, the company reported positive results from its open-label Phase II Australian study for R327G in the treatment of ABSSSI. ABSSSI comprise a broader range of indications than the DFIs and burn wound infections assessed in prior topical R327 human trials. The Phase II study was primarily conducted by Barwon Health, one of Australia's largest comprehensive regional health services centres. The trial was designed to assess R327G's effectiveness and safety in treating a broad range of ABSSSI indications, which, in addition to DFIs, can include necrotising fasciitis, post-operative wound infections, simple abscesses, boils, cellulitis and others. In the Phase II ABSSSI trial, R327G was applied once daily for seven days to the site of infection, followed by safety and efficacy evaluations. A possible additional seven-day R327G treatment period was considered at the investigator's discretion if indicated, with repeated safety and efficacy evaluations.

Exhibit 2: Phase II ABSSSI study results



Source: Recce Pharmaceuticals, September 2025 presentation

The study achieved all primary and secondary efficacy endpoints and met plasma pharmacokinetics (PK) expectations. After seven days of treatment, 86% of patients (25 of 29) treated with R327G had a successful clinical response, and at 14 days of treatment, 93% (27 of 29) had achieved a primary efficacy endpoint. Clinical outcomes were assessed using the Lipsky Clinical Resolution of Infection Scale and/or the Bates Jensen Wound Assessment Tool, both FDA-recognised measures. Importantly, R327G was reported to be safe and well tolerated, with no serious adverse events. The study enrolled 30 patients in total, with one withdrawing due to pre-existing pain at the wound site that was deemed unrelated to R327G.

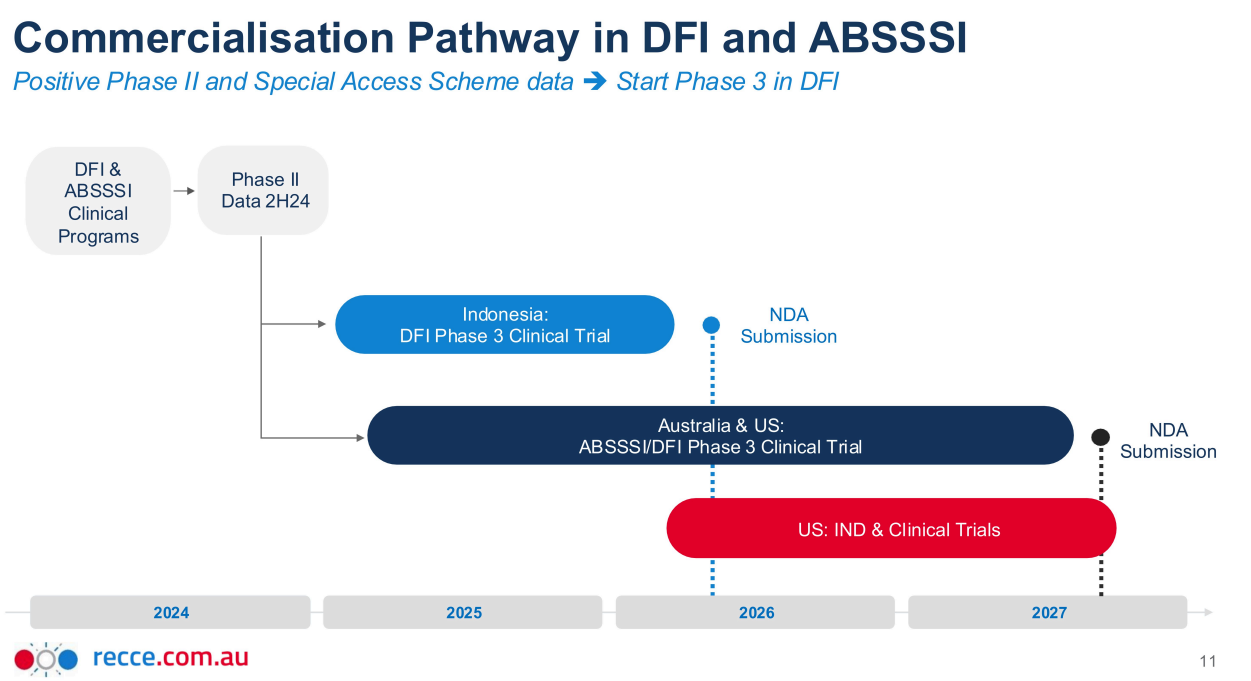
The global ABSSSI market was valued by Fortune Business Insights at US$12.5bn in 2024 and is projected to reach US$25.7bn in 2032. Drug-resistant bacterial strains, particularly methicillin-resistant *Staphylococcus aureus* (MRSA), remain an area of particular concern in many skin and skin structure infections.

To our knowledge, no topical antibiotic has specific globally-recognised approval for usage for the treatment of DFIs. Treatment guidelines from the International Working Group on the Diabetic Foot and the Infectious Diseases Society of America indicate that currently available topical therapies or antibiotics have limited effectiveness in the treatment of DFIs (and, as stated above, none has regulatory approval for DFIs, as far as we are aware). Hence, we believe there is an opportunity for a novel topical therapeutic such as R327G, as we expect a standalone topical therapeutic option would be convenient for patients (given the relative ease of drug administration), aid in treatment compliance, provide a concentrated dose at the presumed site of interest and also lower the risk of systemic side effects often associated with oral or IV antibiotics.

Australian Phase III on ABSSSI expected to start shortly

Recce expects to start a registrational Phase III ABSSSI study in Australia in Q4 CY25, although details (enrolment target, endpoints, duration) have not yet been made public. The company also plans to submit an IND application with the US FDA in H1 CY26 for R327G, and we expect such clearance would enable Recce to either expand this planned Phase III Australia ABSSSI R327G study to include US study sites or start a separate US Phase III ABSSSI study. In either case, the company expects US clinical trial sites to be assessing R327G in ABSSSI in CY26, and it plans a US New Drug Application in this indication in CY27.

Exhibit 3: Commercialisation pathway for R327G



Recce Pharmaceuticals, September 2025 presentation

Altogether, we continue to anticipate potential commercialisation for R327G in ABSSSI in CY28 in the US and Australia. We believe the company's near-term focus on advancing the ABSSSI and DFI indications for R327G provides a clear path to future revenues.

Burn wounds R327G programme supported by US DoD grant

Recce is also advancing R327G for the treatment of burn wounds, and in early FY25 it received material external validation from the US Department of Defense (DoD), which awarded the company a US$2m grant. This funding is designed to accelerate development of R327G to treat acute burn wound infections and prevent downstream complications such as sepsis or bacteraemia. We believe the DoD's intent would be for the development of an effective and rapidly deployable product that can be used in military (eg combat) settings.

Recce was one of only three recipients and the only non-US entity to receive this grant in the applicable funding round. The funding is being directed towards a series of preclinical efficacy studies in rat and pig thermal wound infection models. Recce in August 2025 reported positive R327G burn wound data in a preclinical rat infection model, where R327G's performance against Methicillin-resistant *Staphylococcus aureus* and *Pseudomonas aeruginosa* consistently outperformed soframycin, promoting significantly faster healing.

Recce had previously conducted a Phase I/II clinical trial for topical R327 in burn wound infections, sponsored by the West Australian health department and conducted at Fiona Stanley Hospital; stage 1 of the study has been completed with positive safety and tolerability. Clinical investigators are preparing a new protocol for the next clinical study stage, which is expected to be a randomised trial in patients with infected burn wounds, where R327G treatment will be compared to existing treatment standard of care.

Beyond the DoD collaboration for burn wounds, Recce in April 2025 entered into a separate Cooperative Research and Development Agreement (CRADA) with the US Army Medical Research Institute of Infectious Diseases (USAMRIID) whereby the USAMRIID will assess R327 against a panel of highly virulent pathogens of biodefence concern under high biocontainment conditions. R327 will first be assessed in in vitro infection models, which, if successful, will lead to further testing in small animal models. Recce reported data on R327's effectiveness on certain Category A and Category B bioterrorism threats including *Bacillus anthracis* (anthrax) at the 2025 Military Health System Symposium in August 2025. Both DoD agreements (the burn wounds-directed grant and the CRADA with the USAMRIID) reflect a validation of Recce's technology platform and highlight the potential for the technology to be deployed in military and civilian infection control settings.

IV R327 provides longer-term potential in sepsis and cUTIs

While R327G provides the clearest path to near-term commercialisation revenue and pipeline de-risking, we continue to view the IV formulation as Recce's strongest long-term commercial R327 opportunity, specifically in the sepsis (and/or urosepsis) and cUTI indications. The company in June 2024 reported it had completed the Phase I/II 'rapid infusion' study (trial ID ACTRN12623000448640 at anzctr.org.au) assessing the safety, tolerability and PK of IV R327 in healthy volunteers. This Phase I/II rapid infusion study met all of its primary endpoints and demonstrated significant antibacterial activity (please refer to our previous note for details).

The Centers for Disease Control and Prevention estimates that at least 1.7 million American adults develop sepsis annually, with 350,000 of them dying of the acute disease or being discharged to hospice ('end of life') care. One in three people who die in a hospital have sepsis. The Sepsis Alliance reiterates that sepsis is the leading cause of death in US hospitals, and that timely diagnosis and treatment are critical, as the risk of mortality from death increases by 4–9% for every hour that treatment is delayed. Globally, sepsis results in over 11 million annual deaths worldwide.

Recce continues to plan a Phase II study of IV R327 in patients with cUTIs (including urosepsis patients) that may include US study sites. Given that management's near-term priority is on the two Phase III R327G studies discussed above, and that its initial R327 drug IND application (as discussed above) will focus on the topical (R327G) formulation, we have pushed back our expectation for the commencement of this cUTI/urosepsis study into Q4 CY26 (vs H1 CY26 previously). We expect the IND clearance of R327G (planned for H1 CY26) will nonetheless inform development steps for the subsequent submission (later in CY26) of a separate IND for the IV R327 formulation. As this IND will need to be cleared by the FDA prior to the commencement of the Phase II IV R327 study, we believe our new timing assumptions for the IV programme are sensible.

For conservatism, we now assume potential approval and commercialisation of IV R327 in sepsis and cUTI in CY30 (versus H2 CY29 previously). However, the company expects that H2 CY29 commercialisation of IV R327 remains feasible and, hence, we may revisit our assumptions once the relevant US IND has been cleared by the FDA and/or greater clarity is provided by management on the expected data points and timelines for the US-centric studies.

Financials

Recce's FY25 financial results (for the 12 months ending 30 June 2025) reflected a higher net operating loss (A$20.4m) than we had anticipated (A$14.9m in our prior note), which was attributable mostly to higher SG&A costs (A$17.3m, or up 19% y-o-y) than we had projected (A$11.1m). Employee benefits expenses, embedded within SG&A, came in at A$6.5m (+26% y-o-y), and, as we expect this run rate will be recurring in nature, we have raised our SG&A cost assumptions going forward.

R&D costs, coming in at A$10.4m, were below our A$13.5m estimate and were largely due to the company's activities on topical R327G in preparation for the upcoming Phase III studies in DFI and ABSSSI. Altogether, the company reported an operating cash burn rate of A$20.4m, versus our A$14.2m prior estimate.

We have updated our forecasts and valuation to reflect the recent forex changes (we now assume US$0.65/A$, versus our prior assumption of US$0.63/A$). We have reduced our FY26 R&D expense estimate to reflect a one- to two-quarter postponement in the timing of expenditures for the planned US Phase II IV R327 study in cUTI/urosepsis, as we now expect this study to start in FY27. We now anticipate FY26 R&D costs of A$16.9m (vs A$30.2m previously) but we have also increased our SG&A cost assumptions to A$16.2m (vs A$11.5m previously), given recent trends in payroll and employee benefit costs. Altogether we project an FY26 free cash outflow of A$26.6m (vs A$39.8m previously).

We are introducing FY27 estimates, which call for a modest A$1.6m in initial net R327G commercialisation royalty revenue in ASEAN countries. We expect Phase III R327G studies (Australia and US) and US Phase II IV R327 study costs to ramp up in FY27 and we expect R&D costs of A$41.5m, resulting in an FY27 free cash outflow of A$57.3m.

Recent financings strengthen cash runway

In early June, Recce completed a A$15.8m (gross) fund-raising (priced at A$0.28/share and first announced in April) that consisted of a A$5.0m issue to a private investor, a A$3.4m pro rata entitlement to existing shareholders and A$7.4m under a shortfall placement. The proceeds are being directed towards the Phase III DFI Indonesian study (which the company expects to be a catalyst for future revenue in H2 CY26), the company's additional Phase III Australian study for R327G in ABSSSI (which it expects to start before end-CY25), as well as additional clinical/non-clinical activities and

preparations for a US IND filing (for the topical R327G).

Recce in late June also announced that it had entered into a A$30m debt facility with Avenue Capital Group, which is intended to further support Recce's Phase III trial activities (in DFI and ABSSSI) and support broader commercialisation efforts in the ASEAN region. The first tranche of A$11.5m (US$7.5m) from the debt facility was provided initially, with the remaining c A$19m to be available until end-CY27 and subject to draw down conditions (which have not been fully specified). The Avenue Capital loan will have an interest cost of 12.75% per year and is to be repaid in 36 months, and is also partly convertible to shares (up to US$1m of the first tranche can be converted to equity) through the issuance of warrants to the lender (warrants are issued to reflect a share purchase of up to 8% of the loan commitment). Including the first A$11.5m tranche, the company reported a gross cash position at 30 June of A$10.4m, as well as A$10.9m in short- and long-term financial liabilities (of which A$10.1m was to Avenue Capital).

Recce expects to receive a cash rebate of c A$8.5m R&D in Q4 CY25 (Q226) from the Australian government. We expect the company's cash proceeds and the R&D rebate to fund the company's operations into H226 (H1 CY26). If, as we expect, the company receives the remaining c A$19m from the Avenue Capital loan facility in FY26, then we expect the company's cash runway to extend into FY27 (H2 CY26). For modelling purposes, we project the company will raise A$30m in debt (including the A$19m remaining under the Avenue Capital Facility) in FY26.

Assuming Recce continues to develop all four planned clinical-stage indications (ABSSSI including DFIs, burn wounds, sepsis/urosepsis, cUTI), we project it would need to raise A$135m in total net proceeds by FY29 (vs A$125m previously) before becoming sustainably cash flow positive. As per the usual Edison method, we model these raises as illustrative debt.

Valuation

Our valuation is based on a relative risked net present value (rNPV) calculation with a 12.5% cost of equity. We have made two changes to our commercial assumptions:

- As stated above, we have scaled back our launch timelines for IV R327 in sepsis and cUTIs to CY30 (versus H2 CY29 previously), as we do not expect new clinical trials for IV R327 until Q4 CY26 at the earliest.
- For DFI in ASEAN territories, with the commencement of Phase III trials we have raised our probability of success estimate to 45% (vs 35% previously). We have increased our peak market share assumption to 30% (up from c 20% previously), as we anticipate the convenience and lower systemic side effect, with R327G being the sole topical formulation specifically approved for DFI, will be appealing to both health providers and patients. We continue to assume that the prevalence of diabetes in ASEAN countries is c 47 million, with 3% obtaining diabetic foot ulcers in a given year, and of these, 55% will be infectious and c 25% of such infections can be treated with topical R327, leading to a potential addressable market of c 195,000 cases per year in the region. This would translate into c A$150m in peak sales. Our model assumes that Recce enters a licensing agreement with a pharma company in the region, and that Recce would be entitled to a 25% royalty on net R327G sales in the ASEAN region. We note the company has not made any disclosure on potential royalty rates, and these may differ from our forecasts. Overall, we expect Recce to finalise a commercial partnership agreement with a regional pharma company over the coming year.

Exhibit 4: Recce Pharmaceuticals rNPV valuation

Product	Indication	Launch	Sales (A$m) in 2034	NPV (A$m)	Probability of success	rNPV (A$m)	rNPV/basic share (A$)
R327 (IV)	Sepsis	CY30	3,301	3,462.0	15%	500.6	1.73
R327 (IV)	Complicated UTI	CY30	421	415.6	15%	60.6	0.21
R327 (topical)	Burn wounds	CY28	318	433.9	20%	82.0	0.28
R327 (topical)	ABSSSI	CY28	462	735.3	20%	139.7	0.48
R327 (topical)	Diabetic foot infections (ASEAN)	H2 CY26	148	108.4	45%	48.0	0.17
Corporate costs				(182.4)		(182.4)	(0.63)
Net cash at 30 June 2025				(0.5)		(0.5)	(0.00)
Total equity value						600.2	2.24

Source: Edison Investment Research

Given the above, we now obtain an rNPV, including A$0.5m FY25 net debt, of A$600.2m (or A$2.24 per share), versus A$615.1m (or A$2.51 per share) previously. The reduction in the per-share value is also due to the increase in share count since our prior note (from 249.7m), which was largely due to the completion of the entitlement offer described above.

As stated above, we project Recce would need to raise A$135m in proceeds between FY26 and FY29 to reach sustainable positive cash flows. While we model these raises as illustrative debt, if our projected funding need is raised through equity issuances at the prevailing market price of c A$0.44, our effective value per share would decrease to A $1.23 (including cash raised via equity).

Depending on the availability of capital, the company may decide to prioritise certain programmes, which could affect the timing of launches in non-prioritised indications and our overall valuation. Our funding model assumes Recce will advance all four programmes in parallel. However, if the company prioritises R327G in ABSSSI and DFIs and puts its remaining development programmes on hold until the initial R327G commercial approval, its overall funding need would reduce as it could then apply post-launch commercial revenue towards resuming R&D and product development activities in the remaining targeted indications. Partnerships and/or non-dilutive forms of funding (such as third-party sponsorship of clinical trials) could also reduce the future funding need, although these are not specifically included in our forecasts.

Exhibit 5: Financial summary

A$(000)	2021	2022	2023	2024	2025	2026e	2027e
Year end 30 June	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS							
Revenue	1,857	3,085	4,311	4,906	6,971	8,500	9,825
Cost of Sales	0	0	(0)	(0)	(0)	(0)	(0)
Gross Profit	1,857	3,085	4,311	4,906	6,971	8,500	9,825
Sales, General & Administrative	(9,511)	(7,677)	(9,779)	(14,526)	(17,265)	(16,193)	(16,964)
Net Research & Development	(5,657)	(6,285)	(7,330)	(7,159)	(10,383)	(16,923)	(41,538)
EBITDA	(13,311)	(10,878)	(12,797)	(16,778)	(20,677)	(24,616)	(48,678)
Depreciation & amortisation of intangible assets	0	0	0	0	0	0	0
Depreciation, amortisation & other	(296)	(188)	(217)	(367)	(356)	(627)	(262)
Normalised Operating Profit (ex. amort, SBC, except.)	(8,389)	(10,809)	(12,689)	(17,125)	(19,696)	(25,243)	(48,940)
Operating profit before exceptionals	(13,607)	(11,065)	(13,014)	(17,145)	(21,033)	(25,243)	(48,940)
Exceptionals including asset impairment	0	0	54	143	626	0	0
Other	0	0	0	0	0	0	0
Reported Operating Profit	(13,607)	(11,065)	(12,960)	(17,002)	(20,406)	(25,243)	(48,940)
Net Finance income (costs)	94	79	(117)	(660)	(1,022)	(1,986)	(8,605)
Profit Before Tax (norm)	(13,513)	(10,986)	(13,131)	(17,805)	(22,054)	(27,229)	(57,545)
Profit Before Tax (FRS 3)	(13,513)	(10,986)	(13,077)	(17,662)	(21,428)	(27,229)	(57,545)
Tax	0	0	0	0	0	0	0
Profit After Tax and minority interests (norm)	(13,513)	(10,986)	(13,131)	(17,805)	(22,054)	(27,229)	(57,545)
Profit After Tax and minority interests (FRS 3)	(13,513)	(10,986)	(13,077)	(17,662)	(21,428)	(27,229)	(57,545)
Average Basic Number of Shares Outstanding (m)	155.4	174.1	174.0	177.1	237.0	288.4	288.4
EPS - normalised (A$)	(0.09)	(0.06)	(0.08)	(0.10)	(0.09)	(0.09)	(0.20)
EPS - normalised and fully diluted (A$)	(0.09)	(0.06)	(0.08)	(0.10)	(0.09)	(0.09)	(0.20)
EPS - (IFRS) (A$)	(0.09)	(0.06)	(0.08)	(0.10)	(0.09)	(0.09)	(0.20)
Dividend per share (A$)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BALANCE SHEET							
Fixed Assets	501	439	608	1,233	1,028	430	200
Intangible Assets	0	0	0	0	0	0	0
Tangible Assets	501	439	608	1,233	1,028	430	200
Investments in long-term financial assets	0	0	0	0	0	0	0
Current Assets	21,181	12,185	1,947	5,136	11,386	14,755	12,440
Short-term investments	0	0	0	0	0	0	0
Cash	20,873	11,582	1,562	4,415	10,449	13,818	11,503
Other	308	603	386	721	937	937	937
Current Liabilities	(1,078)	(2,447)	(4,850)	(15,070)	(6,129)	(6,129)	(6,129)
Creditors	(1,078)	(2,447)	(1,802)	(5,381)	(3,827)	(3,827)	(3,827)
Short-term borrowings	0	0	(3,048)	(9,689)	(2,302)	(2,302)	(2,302)
Long-Term Liabilities	(100)	(115)	(295)	(824)	(9,337)	(39,337)	(94,337)
Long-term borrowings	0	0	0	0	(8,599)	(38,599)	(93,599)
Other long-term liabilities	(100)	(115)	(295)	(824)	(739)	(739)	(739)
Net Assets	20,504	10,061	(2,589)	(9,524)	(3,052)	(30,281)	(87,827)
CASH FLOW STATEMENT							
Operating Income	(13,607)	(11,065)	(12,960)	(17,002)	(20,406)	(25,243)	(48,940)
Movements in working capital	144	1,532	(152)	4,266	(707)	0	0
Net interest and financing income (expense)	94	79	(117)	(660)	(1,022)	(1,986)	(8,605)
Depreciation & other	296	188	217	367	356	627	262
Taxes and other adjustments	5,218	256	325	20	1,337	0	(0)
Net Cash Flows from Operations	(7,856)	(9,010)	(12,687)	(13,009)	(20,442)	(26,602)	(57,283)
Capex and capitalised expenditures	(76)	(40)	(39)	(142)	(26)	(29)	(32)
Acquisitions/disposals	0	0	0	0	(181)	0	0
Interest received & other investing activities	0	0	0	0	(237)	0	0
Net Cash flows from Investing activities	(76)	(40)	(39)	(142)	(444)	(29)	(32)
Net proceeds from share issuances	26,338	287	102	10,583	26,613	0	0
Net movements in long-term debt	0	0	0	5,886	591	30,000	55,000
Dividends	0	0	0	0	0	0	0
Other financing activities	(215)	(528)	2,604	(464)	(284)	0	0
Net Cash flows from financing activities	26,123	(240)	2,706	16,004	26,920	30,000	55,000
Effects of FX on Cash & equivalents	0	0	0	0	0	0	0
Net Increase (Decrease) in Cash & equivalents	18,191	(9,291)	(10,020)	2,854	6,034	3,369	(2,315)
Cash & equivalents at beginning of period	2,682	20,873	11,582	1,562	4,415	10,449	13,818
Cash & equivalents at end of period	20,873	11,582	1,562	4,415	10,449	13,818	11,503
Closing net debt/(cash)	(20,873)	(11,582)	1,487	5,274	452	27,083	84,398
Lease debt	127	75	251	461	643	643	643
Closing net debt/(cash) inclusive of IFRS16 lease debt	(20,746)	(11,507)	1,737	5,735	1,095	27,726	85,041
Free cash flow	(7,932)	(9,051)	(12,726)	(13,151)	(20,649)	(26,631)	(57,315)

Source: company accounts, Edison Investment Research

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London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom