EDISON

Recce Pharmaceuticals

Strengthening anti-infective pipeline

Business update

Healthcare

16 April 2026

Recce continues to advance 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). The company is on track to launch the drug in Indonesia by end-CY26 (and other ASEAN territories in CY27), pending positive interim results from the study (expected H2 CY26). This would mark Recce's potential transition into a commercial-stage pharma company with recurring revenue to help fund pipeline expansion. The company also strengthened R327G's potential breadth through its recently expanded preclinical-stage partnerships with the US Department of War for burn wound applications, and its development of an inhaled nebulised R327 formulation for the treatment of drug-resistant hospital or ventilator-associated pneumonia (HAP/VAP). We value Recce at A$611.2m (or A$2.28 per share).

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	9.4	(20.6)	(0.07)	0.00	N/A	N/A
6/27e	9.1	(50.7)	(0.18)	0.00	N/A	N/A

Interim Phase III DFI data expected in mid-CY26

Recce expects to report interim data (on c 155 patients) from the Phase III DFI study by mid-CY26 (vs its prior guidance of Q1 CY26, as initial enrolment was slower than originally planned). If study results are positive, we continue to assume a potential launch in Indonesia in H2 CY26, followed by other Association of Southeast Asian Nations (ASEAN) territories in CY27. The company is also planning a Phase III Australian/US study in acute bacterial skin and skin structure infections (ABSSSI), which we believe could start in H2 CY26 and lead to a commercialisation in H2 CY28 (vs our prior estimate of H1 CY28).

H126 costs in-line, fundraising likely

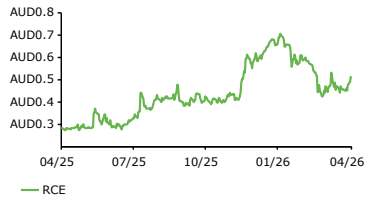
Recce's H126 financial results were largely in-line with prior year trends, excluding a timing shift for the receipt of a R&D tax rebate payment (with the A$5.3m payment received in January). R&D expenses came in at A$7.7m (vs A$8.4m in H125), largely driven by the ongoing Phase III Indonesian DFI study. We model that the company's cash on hand, plus its expectation of an additional A$3.6m RDTI rebate in April, should be sufficient for the company to maintain operations for most of Q426 (Q2 CY26). We anticipate the company will likely raise funds in the coming months to fund the advancement of its R327 pipeline.

Valuation: Mild uptick following adjustments

Our valuation is based on a relative risked net present value (rNPV) calculation with a 12.5% cost of equity. After rolling forward our estimates, adjusting our fx assumptions, and refining our launch timeline for the ABSSSI indication, we now obtain an rNPV, including A$4.2m H126 pro forma net debt, of A$611.2m (or A$2.28 per share), versus A$600.2m (or A$2.24 per share) previously.

Price	**AUD0.515**
Market cap	**AUD149m**
	A$0.70/US$
Pro forma Net cash/(debt) at 31 Dec 2025	AUD4.2m
Shares in issue	289.2m
Code	RCE
Primary exchange	ASX
Secondary exchange	FSE

Share price performance



%	1m	3m	12m
Abs	14.4	(25.4)	73.3
52-week high/low		AUD0.7	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 diabetic foot infections, sepsis, acute bacterial skin and skin structure infections, burn wound infections and urinary tract infections.

Next events

Start Australian Phase III study in ABSSSI	H2 CY26
Interim results from Phase III Indonesian DFI study	H2 CY26

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Recce highlights continuing progress in anti-infective pipeline

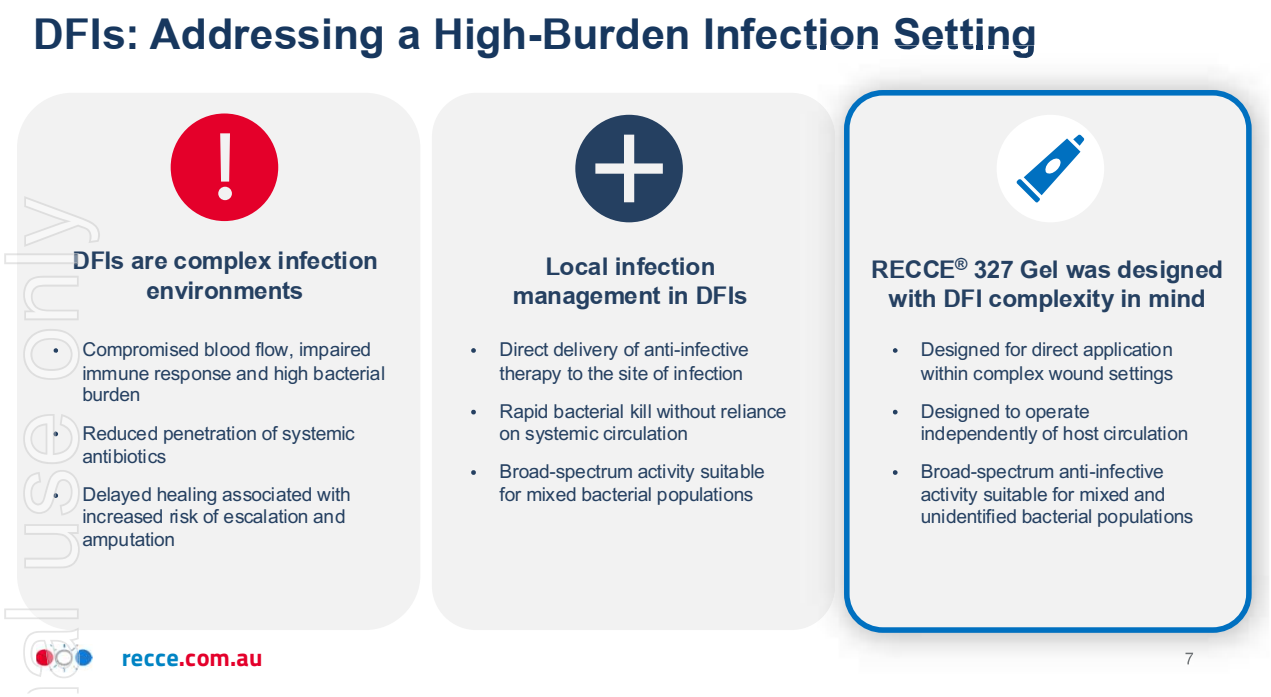
Recce held a pipeline update presentation on 19 March, highlighting ongoing advancement of its Phase III Indonesian-focused study of the topical gel formulation (R327G) of its lead anti-infective therapeutic drug candidate, RECCE 327 (R327), for the treatment of DFIs. Recce remains on track for potential market launch and commercialisation of the drug in Indonesia by end-CY26 (and other ASEAN territories in CY27), pending positive interim results from the study (expected H2 CY26). Success on this front would mark Recce's potential transition into a commercial-stage pharma company with recurring revenue to help fund pipeline expansion. The company also elaborated on its preclinical-stage collaborations with the US Department of War (DOW) for advancing R327G for burn wound applications, as well as its internal programmes for inhaled formulation for the treatment of drug-resistant HAP/VAP.

Indonesian Phase III DFI study continues to progress

Recce has in recent years prioritised clinical development on the topical gel formulation of R327G, which was a sensible decision as this appears to provide the quickest pathway to potential commercialisation. The company showed material evidence of a topically-delivered R327 drug's potential efficacy in the treatment of DFIs in early 2024, when its Phase I/II study in DFIs 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.

As a reminder, DFIs are frequent complications of patients who have diabetes mellitus, particularly if the condition is not adequately controlled. More than 40 million people have diabetes in the US (and Recce estimates c 21 million adults in Indonesia alone) and among 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. 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. Generally, targeted systemic (oral or intravenous, 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.

Exhibit 1: Burden of diabetic foot infections



Source: Recce Pharmaceuticals Webinar presentation, March 2026.

The Indonesian Phase III study started in September 2025, and it is 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 12–18 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).

Exhibit 2: Overview of Recce's Phase III registrational R327G DFI study

Source: Company presentation, March 2026.

Recce expects to report interim data (on c 155 patients) from the Phase III study, consistent with the BPOM (Indonesian Food and Drug Authority) approved study protocol, by mid-CY26 (vs its prior guidance of Q1 CY26, as initial enrolment was slower than originally planned). If study results are positive, we continue to assume a potential launch in Indonesia in H2 CY26. Consistent with management guidance, we have pushed back our projected timeline for launch into other ASEAN territories (which include Malaysia, the Philippines, Singapore and Thailand) to CY27, versus H2 CY26 previously.

Exhibit 3: R327 Topical Gel (R327G) characteristics

Source: Recce Pharmaceuticals, Corporate presentation

One of the key competitive advantages for R327G in the treatment of DFIs is that, to our knowledge, no topical antibiotic has specific globally recognised approval for usage in this indication. 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.

However, we believe R327G is well-differentiated from previously assessed or utilised topical agents (including existing topical antibiotics, silver preparations, antiseptics and bacteriophage therapy) as it has distinct and multi-faceted mechanisms of action and is being advanced as a front-line standalone therapy. Hence, success in the indication could present a substantial opportunity for Recce's 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.

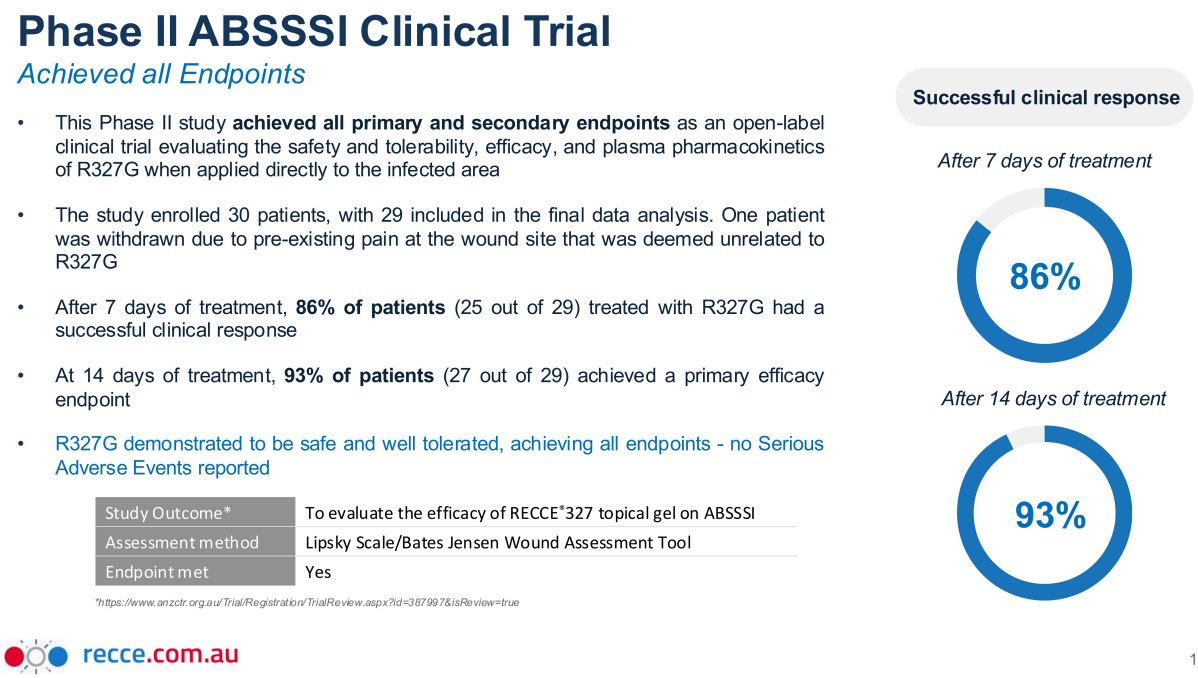
Phase III Australian studies in broader ABSSSI indication expected in CY26

ABSSSIs comprise a broader range of indications than the DFIs or burn wound infections (the first infectious skin conditions that R327 was tested in clinical trials). In February 2025, the company reported positive results from its open-label Phase II Australian study for R327G in the treatment of ABSSSI. ABSSSIs comprise a broader range of indications than the DFIs and burn wound infections assessed in prior topical R327 human trials. The Phase II, primarily conducted by Barwon Health, 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.

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 enroled 30 patients in total, with one withdrawing due to pre-existing pain at the wound site that was deemed unrelated to R327G.

Exhibit 4: Phase II ABSSSI study results



Source: Recce Pharmaceuticals corporate presentation.

The global ABSSSI market was valued by Fortune Business Insights at US$13.7bn in 2024 and is projected to reach US$30.7bn in 2034. Drug-resistant bacterial strains, particularly methicillin-resistant *Staphylococcus aureus* (MRSA), remain an area of particular concern in many skin and skin structure infections.

Recce expects to start a registrational Phase III ABSSSI study in Australia in CY26, although details (enrolment target, endpoints, duration) have not yet been made public. We now model that this trial is likely to start in H2 CY26, and we expect the company to receive Investigational New Drug (IND) clearance by year-end CY26, which would permit the inclusion of US study sites. We now model that potential commercialisation for R327G in ABSSSI will occur in H2 CY28 (vs H1 CY28 previously) 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.

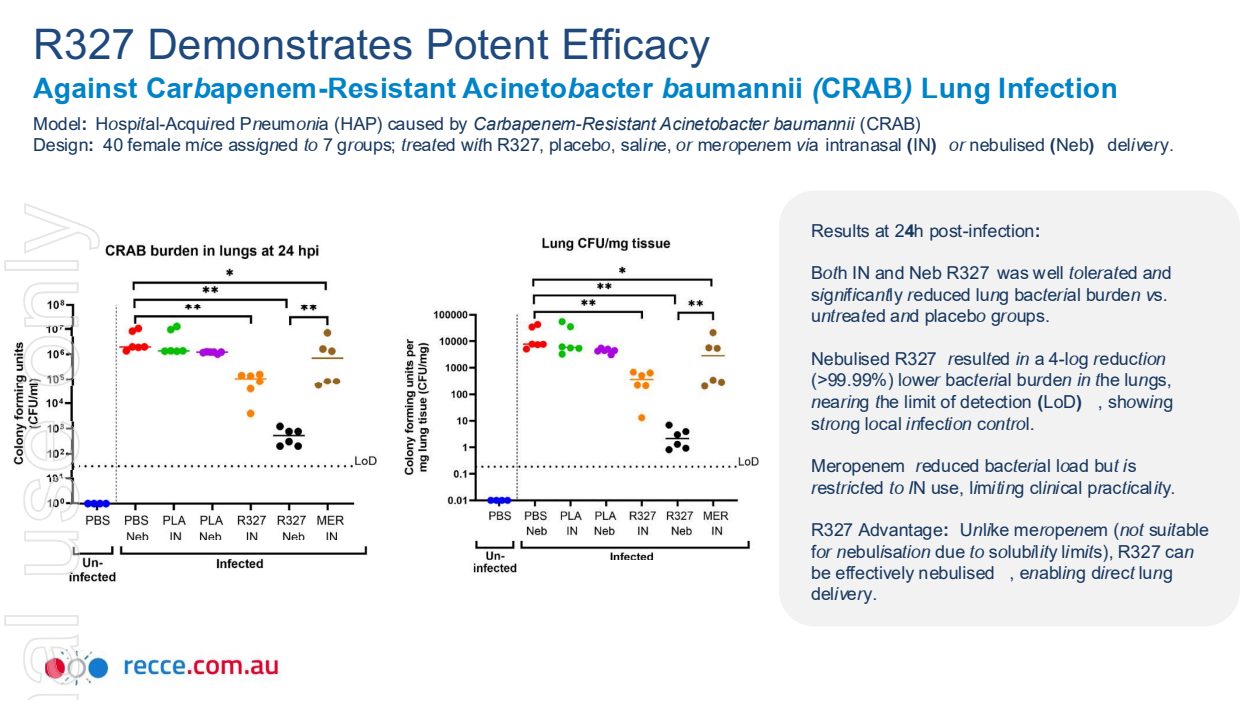
Building stronger evidence for the treatment of severe drug-resistant conditions

While a key priority remains the Indonesian Phase III study (and the path towards near-term commercialisation), Recce continues to strengthen R327's data package in other indications and areas. It announced in November that, as part of an ongoing research collaboration with Murdoch Children's Research Institute, R327 has shown substantial antibacterial activity in a preclinical HAP/VAP mouse model study against carbapenem-resistant *Acinetobacter baumannii* (CRAB). CRAB can cause deadly infections and outbreaks in hospital settings. It is designated as an urgent public health threat by the US Centers for Disease Control and Prevention and as one of only three critical priority group pathogens by the World Health Organization.

In the study, nebulised R327 showed a four-log reduction in CRAB (>99.99% lower burden), nearing the limit of detection, at 24 hours post-infection, suggestive of strong local infection control. Preliminary reductions in pro-inflammatory indicators were also observed in the R327-treated groups. Importantly, the ability for R327 to be delivered through a nebuliser can potentially provide a more rapid and direct treatment for HAP/VAP in acute settings, should future studies also be supportive. Nebulised drug delivery for R327 can be advantageous when targeting HAP/VAP

given that a nebulised drug (which is formulated to small-sized, often <5 micron, respiratory particles) is generally more effective at reaching the respiratory tract, whereas 'simpler' intranasal formulations result in larger 'droplets' that are more likely to settle in the nasal passage and either act locally in the nose or reach systemic circulation through the rich network of blood vessels in the nasal cavity; thus intranasal delivery is not as effective in directly targeting the lung tissue. Overall, the preclinical data for R327 in CRAB is highly encouraging in our view and boosts the potential breadth of R327's applicability in anti-infective indications.

Exhibit 5: R327 efficacy against CRAB lung infection model



Source: Recce Pharmaceuticals webinar presentation, March 2026.

Altogether, we view the advancement of nebulised R327's for HAP/VAP as highly sensible and strategic, given that there is clear unmet need in this indication, as cases of HAP/VAP are often caused by multidrug-resistant (MDR) bacteria that are increasingly resistant to carbapenem drugs, often leading clinicians to employ drugs like cefiderocol (Fetroja) or polymyxins, which may have toxicity concerns or limited availability. Further, crossing the blood-alveolar barrier is a challenge for systemic (eg oral or IV) drugs, resulting in insufficient drug concentration at the site of infection, which makes the ability to deliver R327 through a nebulised 'mist' directly to the lung, a key potential benefit for R327.

Altogether, VAP affects c 5–40% of patients receiving invasive mechanical ventilation (IMV) for more than two days in a hospital setting, and is the leading cause of hospital-acquired infection in patients receiving IMV globally. Mortality rates are up to 50% for all-cause mortality and 13% for direct VAP-related mortality. VAP significantly increases hospital length of stay, treatment complexity and costs, with an average cost of c $40.1k per case in the US.

We wait further advancement of the nebulised R327 programme into clinical development stages before incorporating it into our Recce valuation.

Increasing depth of collaborations with US DOW

The US DOW has also recognised R327's potential for in-field use, and in February Recce announced that it expanded its collaborations with the DOW by entering into a second Cooperative Research and Development Agreement (CRADA) with the US Army. This new arrangement with the US Army Institute of Surgical Research (USAISR) will study whether R327G will reduce the bioburden of MRSA and *Pseudomonas aeruginosa* (*P. aeruginosa*) on burn wounds using the USAISR Walker-Mason rat model.

This second CRADA supports R327G's potential for deployment in a practical setting (eg in frontline deployment in medical field kits) as a hydrogel wound dressing, for the treatment of burn wounds and potentially also extending to other clinical applications and post-operative care. The study will aim to determine whether R327G can substantially reduce the bacterial burden against MRSA and *P. aeruginosa*, two pathogens frequently isolated in burn patients, in the Walker-

Mason rat model, which has been designed to mimic battlefield injuries and study systemic responses to burns and infections.

Exhibit 6: Collaborations with US Department of Defense (War)

Source: Recce Pharmaceuticals corporate presentation, April 2026.

This builds on the company's first CRADA (announced Q2 CY25), which was with the US Army Medical Research Institute of Infectious Diseases (USAMRIID) and covered the testing of R327 against a battery of highly virulent biodefence pathogens in USAMRIID's established and specialised in vitro infection models.

The expanding US government interest in R327 across multiple therapeutic applications signals added external validation of the company's proprietary synthetic broad-spectrum anti-infective platform, which has already shown very encouraging activity against multidrug resistant bacterial strains.

Recce expects to continue the preclinical work projects under its DOW collaborations over CY26 and H1 CY27, and potentially start reigstrational R327G studies for burn wounds in H2 CY27.

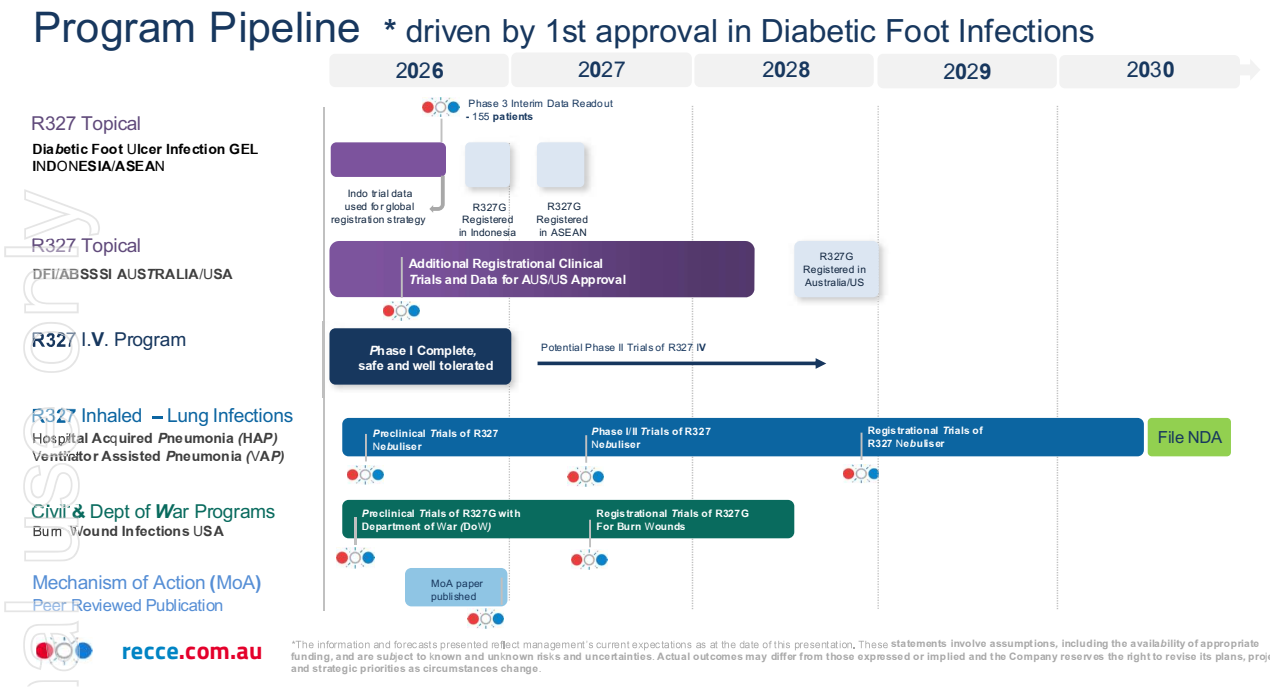
IV R327 opportunities intact, expecting US Phase II in CY27

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 complicated urinary tract infections (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 (discussed in further detail in a prior note).

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 more than 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 (the Indonesian DFI study and the Australia-focussed ABSSSI study), which will focus on the topical (R327G) formulation, we have pushed back our expectation for the commencement of this cUTI/urosepsis IV R327 study into CY27 (vs Q4 CY26 previously), in line with management's most recent guidance (see Exhibit 7).

Exhibit 7: Recce Pharmaceuticals pipeline and catalyst guidance



Source: Company webinar presentation, March 2026.

We continue to model potential approval and commercialisation of IV R327 in sepsis and cUTI in CY30, although we plan to revisit our assumptions once greater clarity is provided by management on the expected data points and timelines for future US-centric IV R327 studies.

Financials

Recce's H126 financial results (for the 6 months ending 31 December 2025) reflected a A$15.7m operating loss, or A $12.6m normalised after removing a non-recurring A$2.4m fair-value remeasurement of option and warrant liabilities, as well as stock-based compensation (A$0.77m) and intangible amortisation (A$0.07m). This compares with an A$6.9m normalised EBIT loss in H125, with the difference largely due to the company having reported an A$6.7m R&D tax incentive (RDTI) payment in H125 while reporting nil RDTI in H126. The difference in RDTI recognition was primarily due to timing, as we note that the company received an A$5.3m RDTI cash payment form the Australian Tax Office in January 2026, and we expect Recce to report this as revenue in H226. R&D expenses came in at A$7.7m (vs A$8.4m in H125), largely driven by the ongoing Phase III Indonesian DFI study, and SG&A was A$6.0m (vs A$5.5m in H125). Altogether, the company reported an H126 operating cash burn rate of A$9.5m (vs A$6.9m in H125). The company ended the period with A$0.365m gross cash and A$9.9m in gross debt, reflecting an A$9.5m period-end net debt figure. However, we calculate pro forma gross cash of A$5.7m and net debt of A$4.2m to reflect the RDTI received in January 2026. The company also expects to receive an additional A$3.6m in April 2026 (Q426).

We have updated our forecasts and valuation to reflect the recent fx changes (we now assume US$0.70/A$, versus our prior assumption of US$0.65/A$). We now expect FY26e net R&D expense of A$15.7m (vs A$16.9m previously) and SG&A of A$12.6m (vs A$16.2m). Part of the reduction in our FY26e R&D expenditure forecast is that we now model that the Phase III ABSSSI Australian study will start in H2 CY26 (FY27) versus our prior expectation of an earlier start (H1 CY26). Related to this, and consistent with management guidance, we have now refined our timing expectation for ABSSSI such that we expect commercialisation in the US and Australia in this indication to start in H2 CY28 (vs H1 CY28 previously). Altogether, for FY26, we now expect a normalised operating loss of A$17.6m (vs A$25.2m previously) and free cash outflow of A$15.7m (vs A$26.6m previously)

Given the timing changes in our ABSSSI study start expectations, we have also reduced FY27 R&D expenditures, to A $38.6m (vs A$41.5m previously). Our new projection still represents a strong y-o-y increase, driven by Phase III R327G studies (Australia and US) in ABSSSI and the commencement of a US Phase II IV R327 study in cUTI/urosepsis. We now model FY27e free cash outflow of A$50.0m (vs A$57.3m previously).

AOF adds clarity for future R&D reimbursement

Recce Pharmaceuticals reported in late CY25 that the Australian government has agreed to provide it with up to A$85m in future cash rebates over the next three years to reimburse the company's upcoming R&D expenditure towards its proprietary synthetic anti-infective programmes. This binding Advanced Overseas Finding (AOF) agreement with the Australian government's Department of Industry, Science and Resources (AusIndustry) extends the rebate programme, which customarily reimburses 43.5% of eligible R&D expenditures incurred within Australia, to cover the anti-infective R&D activities Recce undertakes anywhere in the world. This is particularly noteworthy given that much of the costs for the company's pivotal Phase III Indonesian-focused DFI study of R327G will be incurred outside of Australia, with this AOF decision therefore potentially benefiting Recce. This AOF awarded by AusIndustry is reported to be one of the largest in Australian history, and we believe it signals that the Australian government continues to recognise the vital importance of developing novel anti-infective therapeutics to combat antimicrobial resistance. The added clarity from this AOF on the future reimbursement of overseas R&D activities is beneficial and helps de-risk future funding for Recce given our expectation that clinical trials outside of Australia (and including US sites in particular) will be needed to maximise the commercial potential of R327 in areas such as ABSSSIs, sepsis and urosepsis and cUTIs.

Additional capital raising expected in coming months

We model that the company's cash on hand (pro forma A$5.7m as of Dec 2025), plus its expectation of an additional A $3.6m RDTI rebate in April, should be sufficient for the company to maintain operations for most of Q426 (Q2 CY26). We anticipate the company will likely raise funds in the coming months. In June 2025, Recce had entered into an A $30m debt facility with Avenue Capital Group, with the company receiving the first tranche of A$11.5m (US$7.5m) at the time, with the remaining c A$19m to be available until end-CY27 and subject to draw down conditions (which have not been fully specified). For modelling purposes, we project the company will raise A$30m in debt (including the A$19m remaining under the Avenue Capital Facility) in H226 (H1 CY26).

Assuming Recce continues to develop all four planned clinical-stage indications (ABSSSI including DFIs, burn wounds, sepsis/urosepsis, and cUTI), we continue to project it would need to raise A$145m in total net proceeds by FY29 (vs A $135m previously) before becoming sustainably cash flow positive. We model these raises as illustrative debt.

Valuation

Our valuation is based on a relative rNPV calculation with a 12.5% cost of equity. We have rolled forward our estimates, adjusted our fx projections (assuming US$0.70/A$), and as stated earlier, slightly refined our R327G launch timeline for the ABSSSI indication to H2 CY28 (vs H1 CY28 previously).

Exhibit 8: 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	3,065	3,421.8	15%	505.9	1.75
R327 (IV)	Complicated UTI	CY30	391	409.3	15%	59.7	0.21
R327 (topical)	Burn wounds	CY28	295	427.3	20%	80.8	0.28
R327 (topical)	ABSSSI	H2 CY28	411	575.6	20%	107.9	0.37
R327 (topical)	Diabetic foot infections (ASEAN)	H2 CY26	137	106.7	45%	47.3	0.16
Corporate costs				(138.8)		(138.8)	(0.48)
Pro forma net cash at 31 Dec 2025				(4.2)		(4.2)	(0.01)
Total equity value						611.2	2.28

Source: Edison Investment Research

Given the above, we now obtain an rNPV, including A$4.2m H126 pro forma net debt of A$611.2m (or A$2.28 per share), versus A$600.2m (or A$2.24 per share) previously.

As stated above, we project Recce would need to raise A$145m 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$0.52, our effective value per share would decrease to A $1.33 (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 9: Financial summary

A$(000)	2021	2022	2023	2024	2025	2026e	2027e
Year end 30 June	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
PROFIT & LOSS							
Revenue	1,857	3,085	4,311	4,906	6,971	9,351	9,123
Cost of Sales	0	0	(0)	(0)	(0)	(0)	(0)
Gross Profit	1,857	3,085	4,311	4,906	6,971	9,351	9,123
Sales, General & Administrative	(9,511)	(7,677)	(9,779)	(14,526)	(17,265)	(12,632)	(12,748)
Net Research & Development	(5,657)	(6,285)	(7,330)	(7,159)	(10,383)	(15,714)	(38,571)
EBITDA	(13,311)	(10,878)	(12,797)	(16,778)	(20,677)	(18,995)	(42,196)
Depreciation & amortisation of intangible assets	0	0	0	0	0	0	0
Depreciation, amortisation & other	(296)	(188)	(217)	(367)	(356)	(140)	(673)
Normalised Operating Profit (ex. amort, SBC, except.)	(8,389)	(10,809)	(12,689)	(17,125)	(19,696)	(17,597)	(42,869)
Operating profit before exceptionals	(13,607)	(11,065)	(13,014)	(17,145)	(21,033)	(19,135)	(42,869)
Exceptionals including asset impairment	0	0	54	143	626	(2,377)	0
Other	0	0	0	0	0	0	0
Reported Operating Profit	(13,607)	(11,065)	(12,960)	(17,002)	(20,406)	(21,512)	(42,869)
Net Finance income (costs)	94	79	(117)	(660)	(1,022)	(1,482)	(7,833)
Profit Before Tax (norm)	(13,513)	(10,986)	(13,131)	(17,805)	(22,054)	(20,617)	(50,702)
Profit Before Tax (FRS 3)	(13,513)	(10,986)	(13,077)	(17,662)	(21,428)	(22,994)	(50,702)
Tax	0	0	0	0	0	0	0
Profit After Tax and minority interests (norm)	(13,513)	(10,986)	(13,131)	(17,805)	(22,054)	(20,617)	(50,702)
Profit After Tax and minority interests (FRS 3)	(13,513)	(10,986)	(13,077)	(17,662)	(21,428)	(22,994)	(50,702)
Average Basic Number of Shares Outstanding (m)	155.4	174.1	174.0	177.1	237.0	288.4	288.4
EPS - normalised (A$)	(0.09)	(0.06)	(0.08)	(0.10)	(0.09)	(0.07)	(0.18)
EPS - normalised and fully diluted (A$)	(0.09)	(0.06)	(0.08)	(0.10)	(0.09)	(0.07)	(0.18)
EPS - (IFRS) (A$)	(0.09)	(0.06)	(0.08)	(0.10)	(0.09)	(0.08)	(0.18)
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	1,103	462
Intangible Assets	0	0	0	0	0	0	0
Tangible Assets	501	439	608	1,233	1,028	1,103	462
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	24,505	29,443
Short-term investments	0	0	0	0	0	0	0
Cash	20,873	11,582	1,562	4,415	10,449	24,002	28,940
Other	308	603	386	721	937	503	503
Current Liabilities	(1,078)	(2,447)	(4,850)	(15,070)	(6,129)	(11,416)	(11,416)
Creditors	(1,078)	(2,447)	(1,802)	(5,381)	(4,603)	(9,923)	(9,923)
Short-term borrowings	0	0	(3,048)	(9,689)	(1,527)	(1,493)	(1,493)
Long-Term Liabilities	(100)	(115)	(295)	(824)	(9,337)	(39,244)	(94,244)
Long-term borrowings	0	0	0	0	(8,599)	(38,409)	(93,409)
Other long-term liabilities	(100)	(115)	(295)	(824)	(739)	(835)	(835)
Net Assets	20,504	10,061	(2,589)	(9,524)	(3,052)	(25,052)	(75,755)
CASH FLOW STATEMENT							
Operating Income	(13,607)	(11,065)	(12,960)	(17,002)	(20,406)	(21,512)	(42,869)
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)	(1,482)	(7,833)
Depreciation & other	296	188	217	367	356	140	673
Taxes and other adjustments	5,218	256	325	20	1,337	7,003	(0)
Net Cash Flows from Operations	(7,856)	(9,010)	(12,687)	(13,009)	(20,442)	(15,851)	(50,030)
Capex and capitalised expenditures	(76)	(40)	(39)	(142)	(26)	(29)	(32)
Acquisitions/disposals	0	0	0	0	(181)	179	0
Interest received & other investing activities	0	0	0	0	(237)	0	0
Net Cash flows from Investing activities	(76)	(40)	(39)	(142)	(444)	150	(32)
Net proceeds from share issuances	26,338	287	102	10,583	26,613	(3)	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)	(743)	0
Net Cash flows from financing activities	26,123	(240)	2,706	16,004	26,920	29,254	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	13,553	4,938
Cash & equivalents at beginning of period	2,682	20,873	11,582	1,562	4,415	10,449	24,002
Cash & equivalents at end of period	20,873	11,582	1,562	4,415	10,449	24,002	28,940
Closing net debt/(cash)	(20,873)	(11,582)	1,487	5,274	(324)	15,900	65,961
Lease debt	127	75	251	461	643	806	806
Closing net debt/(cash) inclusive of IFRS16 lease debt	(20,746)	(11,507)	1,737	5,735	319	16,706	66,768
Free cash flow	(7,932)	(9,051)	(12,726)	(13,151)	(20,649)	(15,701)	(50,062)

Source: Company accounts, Edison Investment Research

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