

ASX Announcement

Recce Pharmaceuticals Secures Extended Interest-Only Period Under Avenue Capital Debt Facility

Highlights:

- **Interest-only extension: Extended to 31 December 2026, with scope for further extension to 30 September 2027 conditional on equity funding and clinical milestones**
- **Tranche 2 extension: Draw period for the US\$5m facility extended to 31 December 2026**

SYDNEY Australia, 16 October 2026: Recce Pharmaceuticals Ltd (**ASX:RCE, FSE:R9Q**) (the **Company** or **Recce**), a leading developer of a new class of Synthetic Anti-infectives, is pleased to announce it has executed an amendment to the terms of its existing secured debt facility with global investment firm Avenue Capital Group (**Avenue**) announced on 17 June 2025.

The amendments provide the Company with enhanced financial flexibility by extending the interest only period to support its ongoing Phase 3 clinical trial programs and align its debt service structure with key operational milestones.

Under the amended terms, the baseline interest-only period has been extended by three months to 31 December 2026. The agreement introduces two subsequent interest-only extension options (potentially extending through to 30 September 2027). These extensions are contingent on the Company achieving defined capital raising targets and positive clinical milestones within its ongoing Phase 3 programs.

Further, the availability period for drawing down Tranche 2 has been extended, from 30 September 2026 to 31 December 2026. Access to this tranche remains subject to the satisfaction of the existing clinical and funding milestones.

Other than the amendments described above, the key terms of the facility remain unchanged and are set out in the Company's announcement on 17 June 2025.

In consideration for the amendments, the Company will issue Avenue 493,103 additional warrants, equivalent to US\$100,000 (A\$143,000) with an exercise price of A\$0.29, expiring on 15 October 2031. These warrants will otherwise be on substantially the same terms as those previously issued to Avenue, which are detailed in Appendix 2 of the Company's announcement dated 17 June 2025.



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The warrants will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1.

About Avenue Capital Group

Avenue Capital Group is a global investment firm that was founded in 1995 by its Senior Principals, Marc Lasry and Sonia Gardner. The Avenue Capital Group has deployed more than US\$100 billion in investments across a variety of industries, regions and market cycles with an eye toward value creation and capital conservation.

Avenue Capital is primarily focused on specialty lending, opportunistic credit and other special situations investments in the United States, Europe and Asia. Headquartered in New York, with three offices across Europe, four offices throughout Asia, an office in Silicon Valley and an office in Abu Dhabi, the firm manages assets of over US\$11 billion.

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

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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.

Recce's anti-infective pipeline includes three patented, broad-spectrum, synthetic polymer anti-infectives: RECCE® 327 (R327) 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 (R435) as an orally administered therapy for bacterial infections; and RECCE® 529 (R529) for viral infections. Through their multi-layered mechanisms of action, Recce's anti-infectives have the potential to overcome the processes utilised by bacteria and viruses to overcome resistance – a current challenge facing existing antibiotics.

The World Health Organization (WHO) added R327, R435, and R529 to its list of antibacterial products in clinical development for priority pathogens, recognising Recce's efforts to combat antimicrobial resistance. The FDA granted R327 Qualified Infectious Disease Product designation under the Generating Antibiotic Initiatives Now (GAIN) Act, providing Fast Track Designation and 10 years of market exclusivity post approval. R327 is also included on The Pew Charitable Trusts' Global New Antibiotics in Development Pipeline as the sole synthetic polymer and sepsis drug candidate in development.

Recce wholly owns its automated manufacturing, supporting current clinical trials. Recce's anti-infective pipeline aims to address synergistic, unmet medical needs by leveraging its unique technologies.

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