

ASX Announcement

Recce Pharmaceuticals and Arrotex Pharmaceuticals Announce Exclusive License and Commercialization Agreement for RECCE® 327 for Diabetic Foot Infections in Australia and New Zealand

SYDNEY and MELBOURNE Australia, 22 October 2026: Recce Pharmaceuticals Ltd (ASX: RCE; FSE: R9Q) ("Recce") and Arrotex Pharmaceuticals Pty Ltd. ("Arrotex"), today announces an exclusive license and commercialization agreement for Arrotex to register and commercialize RECCE® 327 topical gel (R327G) for the treatment of diabetic foot infections (DFIs) in Australia and New Zealand.

Recce is an Australian clinical-stage biotechnology company developing a new class of synthetic anti-infectives designed to address serious infections, including those caused by antibiotic-resistant bacteria. Arrotex is Australia's largest and most diversified pharmaceutical company, offering an extensive range of prescription medicines across therapeutic areas.

Under the terms of the agreement, Recce will receive a significant profit share of gross margin from product sales. Under the agreement Arrotex will obtain exclusive commercialization rights for R327G in Australia and New Zealand and Recce will remain the exclusive manufacturer and supplier. Key terms of the agreement are summarized in the Annexure.

"This agreement brings together Recce's anti-infective development platform and Arrotex's established regulatory, market access and commercial capabilities in Australia and New Zealand," **said James Graham, Managing Director and Chief Executive Officer of Recce Pharmaceuticals.** "Arrotex is a leading regional partner with the infrastructure and healthcare relationships needed to prepare R327G for the market, subject to successful clinical development and regulatory approval. We look forward to working together to address a serious area of unmet medical need."

We are pleased to partner with Recce to help advance a potential new treatment for diabetic foot infections in Australia and New Zealand," **said Dr Melinda Munns, Chief Medical Officer of Arrotex Pharmaceuticals.** "On approval, we expect R327G will represent an innovative approach



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to a serious and costly complication of diabetes, and this partnership aligns strongly with our commitment to bring differentiated medicines to patients with significant unmet needs."

R327G is currently in registrational Phase 3 clinical development for diabetic foot infections. Any future availability in Australia or New Zealand will be subject to successful completion of clinical development and applicable regulatory approvals.

About Diabetic Foot Infections

Diabetic foot infections are bacterial infections involving the skin, soft tissue or bone of the foot in people with diabetes. They commonly develop in association with diabetes-related foot ulcers and can be difficult to treat because of impaired circulation, neuropathy and antimicrobial resistance. If not effectively managed, DFIs may lead to hospitalization, surgery or amputation. In Australia, approximately 50,000 people are estimated to be living with a diabetes-related foot ulcer, with about 300,000 more considered at risk.

About RECCE® 327 Topical Gel

RECCE® 327 (R327) is a synthetic anti-infective being developed for serious and potentially life-threatening infections caused by Gram-positive and Gram-negative bacteria, including antibiotic-resistant pathogens. R327G, the topical gel formulation, is being studied for bacterial wounds, burns and skin infections. It is currently in registrational Phase 3 clinical development for diabetic foot infections in Australia and Indonesia. R327 remains investigational and has not been approved for commercial use in Australia, New Zealand or the United States.

About Recce Pharmaceuticals

Recce Pharmaceuticals Ltd (ASX: RCE; FSE: R9Q) is an Australian clinical-stage biotechnology company developing a new class of synthetic anti-infectives designed to address the urgent global health threat of antibiotic-resistant superbugs. Its lead candidate, RECCE® 327 (R327), is being developed in topical and intravenous formulations across several infectious-disease indications. Recce is headquartered in Sydney, with research and development operations in Perth and operations in the United States. For more information, visit www.recce.com.au.

About Arrotex Pharmaceuticals

Proudly Australian owned and part of DBG Health, Arrotex Pharmaceuticals is Australia's largest and most diversified pharmaceutical company, offering the most extensive range of prescription medicines across therapeutic areas. We are committed to ensuring timely, sustainable, and affordable healthcare solutions that enhance patient outcomes and support healthcare providers. With unmatched expertise in pharmacy and healthcare, Arrotex continues to invest in Australia's

healthcare ecosystem, delivering trusted medicines, innovative programs, and strategic partnerships that create real value for patients, healthcare providers, and partners. For more details about Arrotex, visit www.arrotex.com.au.

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

Annexure

Key terms of the agreement

Item	Summary
Parties	Recce Pharmaceuticals Ltd (Recce) and Arrotex Pharmaceuticals Pty Ltd (Arrotex).
Status	Binding agreement that is not subject to any conditions precedent.
Licensed product	RECCE® 327 topical gel (R327G) for the treatment in humans of diabetic foot infection (DFI) and acute bacterial skin and skin structure infection (ABSSSI).
Territory	Australia and New Zealand.
Exclusivity	Arrotex has exclusive rights in the Territory, and Recce will not appoint another commercial partner in the Territory for any presentation of RECCE® 327. New presentations, such as intravenous or inhaled formulations, are subject to good faith negotiation and, if terms are not agreed within 90 days, a right of first refusal in favour of Arrotex.
Rights retained by Recce	Recce retains ownership of all intellectual property, all rights outside the Territory and outside human pharmaceutical use and the right to conduct clinical trials in the Territory.
Manufacture and supply	Recce will manufacture R327G and be Arrotex's exclusive supplier. Product is supplied at Recce's cost plus margin, credited against Recce's profit share.
Upfront and milestone payments	None.
Profit share	Recce will receive a significant profit share of the gross margin (net sales less Recce's cost of goods) on Arrotex's sales of R327G in the Territory, paid quarterly.
Costs	Arrotex bears all costs of commercialisation in the Territory, including Australian and New Zealand regulatory filings, PBS and Pharmac submissions and sales and marketing. Recce continues to fund global clinical development, manufacturing and regulatory filings outside the Territory.

Regulatory pathway	Arrotex is only required to apply for TGA approval after R327G is approved by the US Food and Drug Administration, the European Medicines Agency or another regulator recognised by the TGA as a comparable overseas regulator.
Term	Until the later of expiry of the last licensed Recce patent covering R327G in the Territory and 10 years after first commercial sale in Australia, then from year to year unless either party gives 12 months' notice.
Termination	Amongst other customary termination rights, Arrotex may terminate without penalty if Recce discontinues its FDA or EMA regulatory pathway for R327G. Recce may terminate, or make the licence non-exclusive, if Arrotex fails to apply for approval or launch within the required timeframes.