

November 21, 2019



Recro Completes Separation of Baudax Bio and Becomes a Dedicated Contract Development and Manufacturing Organization

Recro Capitalizing on Strong and Growing CDMO Business



Business Poised to Continue Driving Revenue and Begin Generating Profits

Recro Will Continue to Trade on NASDAQ Under Ticker Symbol "REPH"

MALVERN, Pa., Nov. 21, 2019 (GLOBE NEWSWIRE) -- Recro Pharma, Inc. (NASDAQ:REPH), a high-performing, revenue generating contract development and manufacturing organization (CDMO), today announced that it has completed the spin out of its Acute Care segment, Baudax Bio. Baudax Bio common stock will begin "regular way" trading on Friday, November 22, 2019, under the symbol "BXRX" on the Nasdaq Capital Market. On November 13, 2019, Recro announced that its board of directors approved the separation of Baudax Bio and Recro and declared a special dividend distribution of one share of Baudax Bio common stock for every two and one half shares of Recro common stock held as of the close of business on November 15, 2019, the record date for the distribution.

Recro is executing on its strategy to drive growth and build on the strength and commercial success of its CDMO business. Recro's 2019 year to date revenues of \$82 million represent growth of 37% year-over-year, generating \$4.8 million in cash from operations in the third quarter of 2019. The Company recently raised its full year 2019 revenue guidance to be in the range of \$98-100 million and is now guiding for its 2019 operating income to be the range of \$40-44 million.

Gerri Henwood, President and Chief Executive Officer of Recro, stated, "Today marks a new chapter for Recro, one that enhances our strong CDMO business and enables an additional

focus on our core objectives of delivering on revenue growth and profitability for our shareholders. We are well positioned to deliver on our strategic goals of increasing our customer base, signing new contracts, maximizing our facility's capacity while focused on quality, and growing our overall leadership position within the CDMO landscape."

Experienced Leadership Team

Recro is led by a team of pharmaceutical industry veterans, certain of whom will initially split their time between Recro and Baudax Bio, including:

- **Gerri Henwood, President and Chief Executive Officer**, who brings over three decades of senior leadership experience in biopharmaceuticals, healthcare and life sciences, including as Founder, President and CEO of Recro, Auxilium Pharmaceuticals, and IBAH services.
- **Ryan D. Lake, Chief Financial Officer**, who brings nearly twenty years of senior financial leadership experience. Mr. Lake has served as Chief Financial Officer of Recro since January 2018. Prior to that, he served in executive leadership positions at Aspire Bariatrics, Inc., DSM Biomedical, and Kensey Nash Corporation.
- **Scott Rizzo, Executive Vice President and General Manager**, who brings over 25 years of leadership experience and operational excellence and has been instrumental in developing the client-focused culture at the Company. Mr. Rizzo has had full profit and loss responsibility for the business since joining in 2015 and has been instrumental in driving strategic initiatives designed to yield continued business growth, while prioritizing employee development and quality. Prior to joining Recro, Mr. Rizzo held various leadership positions at a variety of pharmaceutical businesses and consulting organizations, including Roche Pharmaceuticals, Barrier Therapeutics, J. Knipper, DuPont, and PricewaterhouseCoopers.

About Recro, Inc.

Recro is a revenue-generating contract development and manufacturing, or CDMO, business, located in Gainesville, GA. The Company leverages its formulation expertise to develop and manufacture pharmaceutical products using its proprietary delivery technologies and other manufacturing services for commercial and development-stage partners who commercialize or plan to commercialize these products. These collaborations can result in revenue streams including royalties, profit sharing, research and development and manufacturing fees, which support continued operations for the business. For more information please visit www.recropharma.com.

Cautionary Statement Regarding Forward Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties including, without limitation, statements relating to the completion of the spin-off of Recro's acute care business, the implementation of the special dividend distribution of Baudax Bio shares to Recro stockholders, the anticipated trading on the NASDAQ Capital Market of securities in Baudax Bio, the expected business operations for Baudax Bio and Recro Pharma following completion of the spin-off, and the potential of Recro's commercial business. Such forward-looking statements reflect Recro's expectations about its future performance and opportunities that involve substantial risks and uncertainties. When used herein, the words "anticipate," "believe," "estimate," "may," "upcoming," "plan," "target,"

"intend" and "expect" and similar expressions, as they relate to Recro or its management, are intended to identify such forward-looking statements. These forward-looking statements are based on information available to Recro as of the date of this press release and are subject to a number of risks, uncertainties, and other factors that could cause Recro's performance to differ materially from those expressed in, or implied by, these forward-looking statements. Recro assumes no obligation to update any such forward-looking statements. Factors that could cause Recro's actual performance to materially differ from those expressed in the forward-looking statements set forth in this press release include, without limitation: uncertainty of whether the anticipated benefits of the spin-off can be achieved, the Company's ability to manage costs and execute on its operational and budget plans, the Company's ability to achieve its financial goals, including financial guidance, the Company's ability to pay its debt under its credit agreement; the Company's ability to maintain relationships with CDMO commercial partners; and the Company's ability to obtain, maintain and successfully enforce adequate patent and other intellectual property protection. The forward-looking statements in this press release should be considered together with the risks and uncertainties that may affect Recro's business and future results included in Recro's filings with the Securities and Exchange Commission at www.sec.gov.

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