January 2, 2019

Recro Pharma Amends Athyrium Credit Facility

New Terms Provide for Continued Access to $40 Million in Debt Funding

$10 Million of the $40 Million Funded at Closing

MALVERN, Pa., Jan. 02, 2019 (GLOBE NEWSWIRE) -- Recro Pharma, Inc. (NASDAQ:REPH), a revenue generating specialty pharmaceutical company focused on therapeutics for hospitals and other acute care settings, today announced an amendment to its existing credit facility with Athyrium Capital Management, LP (Athyrium), a leading healthcare-focused investment firm. A New Drug Application (NDA) for Recro Pharma's lead candidate, intravenous (IV) meloxicam, is currently under review by the U.S. Food and Drug Administration (FDA), and the Company is awaiting its assigned PDUFA goal date of March 24, 2019.

"This amended credit facility reinstates access to $40 million in debt funding, providing Recro Pharma with greater financial flexibility, and importantly, provides near-term capital to pay certain of the milestone payments due to Alkermes under our recently amended global licensing agreement for IV meloxicam and contributes toward our commercial launch efforts of IV meloxicam," said Gerri Henwood, Recro Pharma's President and Chief Executive Officer. "These are funds that would not have been available for use under the original Athyrium debt facility. We are fortunate to have a good partnership with Athyrium, and we appreciate their willingness to work with us to reframe the structure of earlier terms in a way that is helpful to the Company. We remain focused on the anticipated PDUFA goal date for IV meloxicam and the potential subsequent commercial launch."

Under the prior agreement, Recro Pharma secured $100 million in credit from Athyrium, of which the Company had drawn $60 million. The remaining $40 million was no longer going to be available to the Company because funding of those tranches was contingent on receiving FDA approval for IV meloxicam by December 31, 2018. This amendment restores the availability of the remaining $40 million in debt funding, which was restructured to be available in three tranches. The first $10 million was funded as of December 31, 2018 and an additional $15 million will be available upon the FDA's approval of IV meloxicam, subject to certain other financial conditions being met by Recro Pharma. The final $15 million will be available after Recro demonstrates early sales traction with IV meloxicam.

Recro Pharma may use the initial $10 million to fund certain milestone payments due to Alkermes Pharma Ireland Limited (Alkermes) under the Company's recently amended global licensing agreement related to IV meloxicam, as well as to contribute toward preparation for the potential commercial launch efforts of IV meloxicam. In consideration for this new Athyrium amendment, Recro Pharma paid an amendment fee of $500,000 to

Athyrium, plus other customary contractual based fees, and has repriced the existing Athyrium warrants to the current market price of $6.84 per share.

About Recro Pharma, Inc.

Recro Pharma is a specialty pharmaceutical company that operates through two business divisions, an Acute Care, hospital product division and a revenue-generating contract development and manufacturing, or CDMO, division, located in Gainesville, GA. The Acute Care division is primarily focused on developing innovative products for the hospital and other acute care settings. The Company's lead product candidate is a proprietary injectable form of meloxicam, a long-acting preferential COX-2 inhibitor. IV meloxicam has successfully completed two pivotal Phase III clinical efficacy trials, a large double-blind placebo-controlled Phase III safety trial and four Phase II clinical efficacy trials, as well as other safety studies. Recro's Complete Response to the CRL for IV meloxicam was accepted for filing by the FDA in early October 2018 and assigned a PDUFA date of March 24, 2019. As injectable meloxicam is in the non-opioid class of drugs, if approved, the Company believes it has the potential to overcome many of the issues associated with commonly prescribed opioid therapeutics, including respiratory depression, constipation, excessive nausea and vomiting, as well as having no addictive potential while maintaining meaningful analgesic effects for relief of pain. The Company's CDMO division 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 its CDMO division, and it contributes non-dilutive funding for the development and pre-commercialization activities of its Acute Care division.

Cautionary Statement Regarding Forward Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. 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: the Company's ability to resolve the deficiencies identified by the FDA in the CRL for IV meloxicam; whether the FDA will approve the Company's amended NDA for IV meloxicam and, if approved, the labeling under any such approval; if the FDA does not approve the Company's amended NDA, the time frame otherwise associated with resolving the deficiencies identified by the FDA in the CRL and whether the FDA will require additional clinical studies to support the approval of IV

meloxicam and the time and cost of such studies; the Company's ability to successfully launch and commercialize IV meloxicam, if approved; the length, cost and uncertain results and timing of the Company's clinical trials, including the Company's Phase IIIb clinical trials and any additional clinical trials that the FDA may require in connection with IV meloxicam; the extent to which IV meloxicam, if approved, is accepted by the medical community, including physicians, patients, health care providers and hospital formularies; the availability of coverage and adequate and timely reimbursement for IV meloxicam, if approved; the Company's ability to raise future financing for continued product development, IV meloxicam commercialization and the payment of milestones; the Company's ability to achieve its financial goals, including financial guidance; the Company's ability to access funding and pay its debt under its credit agreement; regulatory developments in the United States and foreign countries; customer product performance and ordering patterns, the performance of third-party suppliers and manufacturers; and the Company's ability to obtain, maintain and successfully enforce adequate patent and other intellectual property protection. In particular, there can be no assurance that the FDA will complete its review by the PDUFA goal date, that the FDA will not require changes or additional data with respect to the amended NDA or that the FDA will approve the amended NDA. 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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