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## IRLAB intends to make a capital raise of approximately SEK 215 million

**IRLAB Therapeutics AB (publ) (the “Company” or “IRLAB”) today announces its intention to execute a directed issue of new shares of series A to institutional investors (the “Directed Issue”) and a new issue of shares of series A with pre-emptive rights for IRLAB’s shareholders (the “Rights Issue”). The Rights Issue is expected to be executed during the first quarter of 2020. The Company has retained Carnegie Investment Bank AB (publ) and Zonda Partners to act as Joint Bookrunners (the “Joint Bookrunners”) in connection with the Directed Issue.**

### The Directed Issue

The subscription price and the total number of new shares in the Directed Issue will be determined through an accelerated bookbuild process. The Company’s intention is to raise proceeds of approximately SEK 70 million in the Directed Issue before transaction costs. As of this announcement, the Company has received indications of interest in the Directed Issue from investors, which amounts to SEK 70 million.

The accelerated bookbuild process in the Directed Issue will start immediately following this announcement. Pricing and allocation of the new shares are expected to take place before beginning of trading on Nasdaq First North Premier Growth Market at 09:00 CET on 13 December 2019. The exact timing of closing of the bookbuilding, pricing and allocation will be at the discretion of the Company and the Joint Bookrunners. The Company will announce the outcome in a subsequent press release.

### The Rights Issue

The Rights Issue is expected to be executed during the first quarter of 2020. The subscription price in the Rights Issue will be the same as in the Directed Issue. The Rights Issue is expected to raise proceeds of approximately SEK 145 million before transaction costs and the Company has received indications of interests from investors in the Directed Issue and other existing shareholders in the amount of SEK 145 million.

### Background and reasons for the capital raise

As previously announced, IRLAB intends to advance the clinical development of the drug candidate IRL790 based on in-depth analysis of the Phase IIa results. The in-depth analysis of the Phase IIa data brought further evidence of the drug candidate’s ability to significantly and meaningfully improve daytime movement quality for patients with Parkinson’s disease experiencing L-dopa induced dyskinesia (“LIDs”). Furthermore, the Company gained a deeper understanding of the independent measurement methods used in the Phase IIa study to optimize the clinical path going forward, including development of the Phase IIb/III study design together with scientific advisors and regulatory experts.

The Phase IIb/III with IRL790 is estimated to start in the first half of 2020 and to be a randomized, double-blind, placebo-controlled study evaluating the efficacy of IRL790 on good ON-time without troublesome dyskinesia in patients with Parkinson’s disease using standardized 24-hour diaries as primary outcome measure.

The randomized, double-blind, placebo-controlled Phase IIb study with the drug candidate IRL752 to evaluate the effects of IRL752 on motor function in Parkinson patient is estimated to start subsequent to the start of the IRL790 phase IIb/III study. The study will evaluate falls frequency, balance, postural dysfunction, and cognitive function using standardized scales assessing Parkinson’s disease, falls frequency and cognitive function.

The total issue proceeds of approximately SEK 215 million before transaction costs which will accrue to the Company is estimated to be sufficient to conduct the planned IRL790 Phase IIb/III study in its entirety as well as to fund the Company’s general activities until the end of the second quarter 2022, including preparations and conduct of the IRL752 Phase IIb study and ISP drug discovery.

### Terms and conditions for the share issues

The reasons for the deviation from the current shareholders’ pre-emptive rights in the Directed Issue is to secure financing of the planned IRL790 Phase IIb/III study and the planned IRL752 Phase IIb study in a timely and cost

efficient manner.

The share issues are, among other things, subject to a resolution by the board of directors of IRLAB, pursuant to the issue authorization given by the annual general meeting on 25 April 2019 to issue new shares, following the close of bookbuilding.

In connection with the share issues, the Company has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period from today and until 90 calendar days after announcement of outcome in the Rights Issue. In addition, in connection with the share issues, the board of directors of IRLAB and management of IRLAB have agreed not to sell any shares in IRLAB during the lock-up period from today and until 90 calendar days after announcement of outcome in the Rights Issue, subject to customary exceptions.

### **Advisors**

Carnegie Investment Bank AB (publ) and Zonda Partners are acting as Joint Bookrunners, and Advokatfirman Vinge and MAQS Advokatbyrå act as legal advisors to IRLAB in connection with the capital raise.

### **For more information**

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*This information is information that IRLAB Therapeutics AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 17:45 CET on December 12, 2019.*

### **About IRLAB**

IRLAB is a Swedish biotech company focused on Parkinson's disease. The company's clinical Phase II candidates, IRL752 and IRL790, intend to treat some of the most difficult symptoms related to Parkinson's disease: involuntary movements (LIDs), psychosis and symptoms dependent on cognitive decline. Through the proprietary ISP (Integrative Screening Process) research platform, IRLAB discovers and develops drug candidates for central nervous system (CNS) related diseases where big growing medical needs exist. In addition to the clinical candidates, the ISP platform has also generated several CNS programs that are now in preclinical phase. IRLAB's Certified Adviser on Nasdaq First North Premier Growth Market is FNCA Sweden AB, [info@fnca.se](mailto:info@fnca.se), +46 (0)8-528 00 399. More information on [www.irlab.se](http://www.irlab.se).

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### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates, including with respect to prospects for pharmaceutical treatments and studies. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "shall", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this

press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

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