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## IRLAB has carried out a directed issue of SEK 70 million and resolves on a rights issue of approximately SEK 145 million

The board of directors of IRLAB Therapeutics AB (publ) (the “Company” or “IRLAB”) has, based on the authorization granted by the annual general meeting on 25 April 2019, resolved to carry out a directed issue of new shares of series A of approximately SEK 70 million to institutional and qualified investors (the “Directed Issue”) and a new issue of shares of series A of approximately SEK 145 million with pre-emptive rights for IRLAB’s shareholders (the “Rights Issue”). The Rights Issue is 100 percent covered by subscription undertakings, guarantee commitments and declarations of intent to subscribe. In the light of the time plan for the Rights Issue, IRLAB brings forward its year end report for 2019 to 6 February 2020.

### The capital raise in short

- The purpose of the capital raise is to finance the Company's 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.
- The Directed Issue of approximately SEK 70 million has been subscribed for by, among others, Handelsbanken Fonder, Fourth Swedish National Pension Fund, Unionen, Third Swedish National Pension Fund, and Second Swedish National Pension Fund, which have also made certain undertakings with regard to the Rights Issue, as further described below. The subscription price in the Directed Issue was, after the accelerated bookbuilding process, set at SEK 27 per share and a total of 2,610,000 new shares of series A have been issued.
- The Rights Issue of approximately SEK 145 million comprises up to 5,388,711 new shares of series A. The subscription price in the Rights Issue corresponds to the subscription price in the Directed Issue, i.e. SEK 27 per share.
- The Company's shareholders have pre-emptive rights to subscribe for new shares of series A in the Rights Issue, whereby 8 existing shares (irrespective of share class) will entitle to subscription for 1 new shares of series A.
- The record date for participation in the Rights Issue is 7 February 2020. The last day of trading in the IRLAB share with the right to participate in the Rights Issue is 5 February 2020.
- The subscription period for the Rights Issue is 11 - 25 February 2020.
- Trading in subscription rights is expected to take place on Nasdaq First North Premier Growth Market during the period 11 - 21 February 2020.
- The Rights Issue is 100 percent covered by subscription undertakings, guarantee commitments and declarations of intent to subscribe. Subscription undertakings have been issued by the Company’s larger shareholders, among them, Daniel Johnsson, FV Group, Ancoria, Handelsbanken Fonder, Fourth Swedish National Pension Fund, Third Swedish National Pension Fund and Second Swedish National Pension Fund, amounting to approximately 43 percent of the Rights Issue. Further, the participants in the Directed Issue as well as other investors have, without any separate compensation, issued guarantee commitments and declarations of intent for, in total, approximately 57 percent of the Rights Issue.

*“We are pleased for the large interest to participate in the capital raise, which gives us the opportunity to bring IRL790 and IRL752 through the next step in the development towards registration. Both IRL790 and IRL752 have potential to achieve important improvements for the growing group of patients having Parkinson’s disease. The capital raise also gives us conditions to finalise the move to the Nasdaq Stockholm main list”, says Nicholas Waters, CEO IRLAB*

### The Directed Issue

On 12 December 2019, the board of directors of IRLAB resolved, based on the authorization granted by the annual general meeting on 25 April 2019, to carry out the Directed Issue. Through the Directed Issue, the number of shares in the Company will increase with 2,610,000 shares of series A and the share capital will increase with SEK 52,200. The Directed Issue has been subscribed for by, among others, Handelsbanken Fonder, Fourth Swedish

National Pension Fund, Unionen, Third Swedish National Pension Fund and Second Swedish National Pension Fund.

The subscription price in the Directed Issue has been determined through an accelerated bookbuild process. Investors participating in the Directed Issue have undertaken to subscribe for their respective pro rata parts of the Rights Issue, and all of the investors have also, in addition, issued guarantee commitments and/or declarations of intent to subscribe for an amount in the Rights Issue corresponding to approximately 109 percent of the amount invested in the Directed Issue.

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 Directed Issue entails a dilution effect of approximately 6 percent in relation to the number of shares in the Company after the Directed Issue, through an increase in the total number of outstanding shares to 43,109,695. The new shares issued in the Directed Issue are expected to start trading on Nasdaq First North Premier Growth Market on 30 December 2019 and entitles to participation in the Rights Issue.

Through the Directed Issue, IRLAB has raised proceeds of approximately SEK 70 million before transaction costs.

### **The Rights Issue**

On 12 December 2019, the board of directors of IRLAB also resolved to carry out the Rights Issue. Through the Rights Issue, up to 5,388,711 new shares of series A will be issued, entailing an increase of the share capital with up to SEK 107,774. The subscription price in the Rights Issue is the same as in the Directed Issue, i.e. SEK 27 per share. Following the Directed Issue and the Rights Issue, the total number of shares in IRLAB will amount to up to 48,498,406 (whereof 48,418,630 shares of series A and 79,776 shares of series B), and the share capital will amount to up to SEK 969,968.

The record date for participation in the Rights Issue is 7 February 2020 and the subscription period for the Rights Issue is between 11 – 25 February 2020. The last day of trading in IRLAB shares with the right to participate in the Rights Issue is 5 February 2020.

Shareholders who are registered shareholders of the Company on the record date, 7 February 2020, have preferential right to subscribe for new shares of series A in proportion to the number of shares (irrespective of share class) held on the record date. Shareholders will receive 1 subscription right for each share (irrespective of share class) held. 8 subscription rights entitle to subscription for 1 new share of Series A. Furthermore, investors are offered the opportunity to subscribe for shares without subscription rights.

The Rights Issue entails a dilution effect of approximately 11 percent in relation to the number of shares in the Company after the Directed Issue and the Rights Issue. The total dilution effect of the share issues amounts to approximately 16 percent in relation to the number of shares in the Company after the Directed Issue and the Rights Issue.

A prospectus regarding the Rights Issue will be published before the commencement of the subscription period.

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 same period.

### ***Subscription undertakings, guarantee commitments and declarations of intent to subscribe***

The Rights Issue is 100 percent secured through subscription undertakings and guarantee commitments and declarations of intent to subscribe, of which approximately 43 percent is subscription undertakings, approximately 47 percent is guarantee commitments in addition to pro rata parts and approximately 10 percent is declarations of intent to subscribe in addition to pro rata parts.

Subscription undertakings have been issued by the Company's larger shareholders, among them, Daniel Johnsson, FV Group, Ancoria, Handelsbanken Fonder, Fourth Swedish National Pension Fund, Third Swedish National Pension Fund and Second Swedish National Pension Fund, amounting to approximately 43 percent of the Rights Issue. Further, the participants in the Directed Issue as well as other investors have, without any separate compensation, issued guarantee commitments and declarations of intent for, in total, approximately 57 percent of the Rights Issue.

### *Preliminary time plan for the Rights issue*

5 February 2020	Last day of trading in the share including right to participate in the Rights Issue
6 February 2020	First day of trading in the share excluding right to participate in the Rights Issue
6 February 2020	Announcement of year end report for 2019
7 February 2020	Publication of the prospectus
7 February 2020	Record date for participation in the Rights Issue, i.e. shareholders who are registered in the share register as of this day will receive subscription rights for participation in the Rights Issue
11 February - 21 February 2020	Trading in subscription rights
11 February - 25 February 2020	Subscription period
27 February 2020	Announcement of the outcome of the Rights Issue

### **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 22:50 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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