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IRLAB publishes prospectus relating to the rights issue

The prospectus relating to IRLAB Therapeutics AB's (publ) ("IRLAB" or the "Company") previously communicated rights issue of approximately SEK 145 million (the "Rights Issue") was approved and registered by the Swedish Financial Supervisory Authority today on 7 February 2020 and is now available on IRLAB's website, www.irlab.se, as well as on Carnegie's website, www.carnegie.se.

The Rights Issue in short

- The Rights Issue of approximately SEK 145 million comprises up to 5,388,711 new shares of series A.
- The Company's shareholders have pre-emptive rights to subscribe for new shares of series A in the Rights Issue, whereby eight (8) existing shares (irrespective of share class) will entitle to subscription for one (1) new share of series A.
- The subscription price in the Rights Issue is SEK 27 per share, which corresponds to proceeds of approximately SEK 145 million before the deduction of transaction costs, provided that the Rights Issue is fully subscribed.
- The record date for participation in the Rights Issue is today on 7 February 2020 and the subscription period runs from and including 11 February until and including 25 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, some of the Company's larger shareholders as well as certain other shareholders have issued guarantee commitments and declarations of intent for, in total, approximately 57 percent of the Rights Issue.

Publication of the prospectus

The prospectus, which contains full terms relating to the Rights Issue as well as application forms to subscribe for shares without the exercise of subscription rights is available on IRLAB's website, www.irlab.se, as well as on Carnegie's website, www.carnegie.se. The prospectus is also available on the Swedish Financial Supervisory Authority's website, www.fi.se.

Terms of 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 SEK 27 per share. Following 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 today on 7 February 2020 and the subscription period for the Rights Issue runs between 11 – 25 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 one (1) subscription right for each share (irrespective of share class) held. Eight (8) subscription rights entitle to subscription for one (1) new share of Series A. Furthermore, investors are offered the opportunity to subscribe for shares of Series A without the exercise of subscription rights.

If not all shares are subscribed for by the exercise of subscription rights, the Board of Directors shall resolve on allotment of new shares subscribed for without the exercise of subscription rights. These shares shall be allocated; (i) firstly to those who have subscribed for shares by the exercise of subscription rights, regardless of whether they were shareholders on the record day or not, and in the event of oversubscription, in relation to the number of subscription rights each has exercised in order to subscribe for new shares, and to the extent this cannot be

resolved, by drawing of lots; (ii) secondly, to others who have subscribed for shares without the exercise of subscription rights in relation to the amount subscribed for and, in the event of oversubscription, in relation to the number of new shares subscribed for in the respective subscription application form; and (iii) thirdly, to those who have entered into guarantee agreements in the capacity of guarantors, pro rata in relation to the amount of the respective guarantee commitment.

The Rights Issue entails a dilution effect of approximately 11 percent in relation to the number of shares in the Company after the Rights Issue. Shareholders who choose not to participate in the Rights Issue are able to compensate financially for this dilution by selling their subscription rights.

Subscription undertakings, guarantee commitments and declarations of intent to subscribe

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, some of the Company's larger shareholders and certain other shareholders have issued guarantee commitments of approximately 47 percent and declarations of intent for approximately 10 percent, corresponding to, in total, approximately 57 percent of the Rights Issue.

Timetable

The timetable below is preliminary and may be subject to change. Any changes will be publicly announced through press release.

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 on Nasdaq First North Premier Growth Market
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 Financial Advisers, and Advokatfirman Vinge and MAQS Advokatbyrå act as legal advisors to IRLAB in connection with the Rights Issue.

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The information was submitted for publication, through the agency of the contact person set out above, at 14:00 CET on February 7, 2020.

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, +46 (0)8-528 00 399. More information on 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.