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Stockholm, 13 November 2017

IRRAS announces initial public offering and publishes prospectus for listing on Nasdaq First North Premier

The board of directors of IRRAS AB (“IRRAS” or the “Company”), has resolved to carry out a new share issue of up to SEK 350 million (the “Offering”) in order to finance IRRAS’s next phase of commercialization, expand the IRRAS *flow*™ platform and diversify the ownership structure. The board of directors has also applied for the Company’s shares to be admitted to trading on Nasdaq First North Premier, Stockholm. On 13 November 2017, Nasdaq Stockholm decided to admit the Company’s shares to trading subject to the fulfilment of certain customary conditions, including that the requirement of distribution of shares is met not later than by the first day of trading, which is expected to be 22 November 2017.

IRRAS in brief

IRRAS is a commercial stage medical technology company focused on designing, developing and commercializing innovative solutions for various brain pathologies, with a goal of dramatically improving patient outcomes, reducing patient-time in the intensive care unit and medical ward, and providing significant health economic benefits to hospitals and healthcare providers.

The Company’s initial product focus is on intracranial fluid management solutions that utilize its proprietary platform technology, IRRAS *flow*™, which is a CE-marked, fully integrated, closed-circuit medical device system that enables intelligent intracranial fluid management as well as accurate, real-time monitoring of intracranial pressure.

The Offering in brief

- The Offering consists of an offering to the general public¹ in Sweden and an offering to institutional investors² in Sweden and abroad.
- The price per share in the Offering will be determined by way of a book-building process within the range of SEK 45 – 50.
- The Offering comprises the maximum number of newly issued shares in IRRAS that provides the Company with gross proceeds of not more than SEK 350 million. Assuming that the price in the Offering is set to SEK 45 per share, corresponding to the low end of the price range, the new share issue will comprise 7,777,777 shares. If the final price is set to SEK 50 per share, corresponding to the high end of the price range, the new share issue will comprise 7,000,000 shares.
- In order to cover potential over-allotment in relation to the Offering, the Company has, at the request of the Sole Global Coordinator (as defined below), committed to issue not more than 1,166,666 new shares³, corresponding to approximately SEK 52.5 million before issue expenses or 15 percent of the total number of shares in the Offering (the “**Over-allotment Option**”).

¹ The general public includes private individuals and legal persons in Sweden who register to subscribe for a maximum of 22,500 shares.

² Institutional investors include private individuals and legal persons who register to subscribe for more than 22,500 shares.

³ Based on the low end of the price range.



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- If the Offering is fully subscribed and the Over-allotment Option is exercised in full, the total value of the Offering will be approximately SEK 402.5 million, comprising of a minimum of 8,050,000 and a maximum of 8,944,443 newly issued shares, corresponding to approximately 31.9 and 34.2 percent of the total number of shares in the Company (before dilution) after completion of the Offering.
- Assuming that the Offering is fully subscribed and the Over-allotment Option is exercised in full, the number of shares in the Company (before dilution) will amount to a minimum of 25,267,419 and a maximum of 26,161,862 shares, corresponding to a market value for the total number of shares in the Company after the completion of the Offering of approximately SEK 1,177 – 1,263 million.
- Existing shareholders Serendipity Ixora AB (publ) and Vandel Medical Equipment Ltd. have agreed to subscribe for shares to a total value of SEK 35 million, corresponding to a minimum of 700,000 and a maximum of 777,777 shares and approximately 10.0 percent of the total number of shares in the Offering before exercise of the Over-allotment Option, or 8.7 percent of the total number of shares in the Offering, provided that the Overallotment Option is exercised in full.
- A prospectus with full terms and conditions is published today 13 November 2017.
- The application period for the general public in Sweden is expected to be 14 – 20 November 2017, and the application period for institutional investors is expected to be 14 –21 November 2017
- The first day of trading in the Company's shares on Nasdaq First North Premier is expected to be 22 November 2017 and the shares will trade under the ticker "IRRAS".
- The expected settlement day of the Offering is 24 November 2017.
- The Offering is conditional upon it generating proceeds of a minimum of SEK 260 million after issue expenses.

Kleanthis G. Xanthopoulos, Ph.D, President and CEO of IRRAS:

"IRRAS has designed, developed, and recently commercialized the flagship product IRRAflow™ in the EU, that greatly improves the way intracranial bleedings, including hemorrhagic strokes, are treated. IRRAflow™ also brings much needed innovation to the neurosurgery field. Since the commercial launch, we have seen steady sales growth and have demonstrated efficacy in more than 70 life-threatening clinical cases, bringing clear benefits to patients, physicians and payors alike. With our core proprietary technology, broad intellectual property, and key human capital that stem from Sweden, we are proud to list IRRAS on Nasdaq First North Premier, Stockholm. The IPO will provide us with the necessary capital to grow sales of IRRAflow™ in the EU, and when receiving FDA approval, launch the product in the US, expand our core technology into new applications in neurosurgery, body pathologies and drug delivery, which we believe will create significant long-term value for our shareholders."

Background to the Offering

Due to the significant interest and uptake of IRRAflow™ since the commercial launch, the Company believes that significant value can be created from an accelerated commercialization strategy. In addition, the Company believes its IRRAflow™ platform has multiple expansion opportunities in addition to the patient populations that IRRAflow™ is already addressing (hemorrhagic stroke and chronic subdural hematoma). The product pipeline includes a smaller version of IRRAflow™, an add-on feature to the IRRAflow™ for continuous monitoring of brain elastance, an IRRAflow™ version for body pathologies (outside the CNS) and a novel drug delivery system.



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The execution of IRRAS's marketing initiatives and expansion strategy will require significant investments during the years to come. To secure the financing needed to deliver on its growth strategy, further develop the product pipeline and to support the Company's working capital needs until the Company becomes self-sufficient, IRRAS has decided to carry out a new share issue in connection with the listing on Nasdaq First North Premier. Assuming that the Offering is fully subscribed, the gross proceeds will amount to SEK 350 million and net proceeds to SEK 316 million after expenses related to the Offering. The Company intends to use such proceeds as per the following order of priority:

- Commercial expansion of the neurosurgical operations, including entry to the US market and reinforcement of the sales organization in the EU – approximately SEK 90 million
- Development of IRRAS*flow*TM for new functions within neurosurgery, including a smaller version of the IRRAS*flow*TM catheter – approximately SEK 40 million
- Development of IRRAS*flow*TM for new indications in the body – approximately SEK 40 million
- Development of a new drug delivery system for IRRAS*flow*TM – approximately SEK 90 million
- Buffer for unforeseen costs and delays in the execution of the commercial strategy and the Company's research and development strategy – approximately SEK 55 million

It is the objective of IRRAS's board of directors to, subject to, inter alia, prevailing market conditions, list the Company on Nasdaq Stockholm's main market within twelve months from the completion of the listing on Nasdaq First North Premier.

Prospectus and subscription terms

A prospectus containing the full terms of the Offering is published today. The prospectus is available on IRRAS's website (www.irras.com), ABG Sundal Collier's website (www.abgsc.com) and Avanza's and Nordnet's websites, (www.avanza.se) and (www.nordnet.se).

Preliminary timetable

Application period for the general public in Sweden:	14 November 2017 – 20 November 2017
Application period for institutional investors:	14 November 2017 – 21 November 2017
Publication of the outcome of the Offering:	22 November 2017
First day of trading on Nasdaq First North Premier:	22 November 2017
Settlement day:	24 November 2017

Advisors

ABG Sundal Collier AB is Sole Global Coordinator. Vator Securities AB is Financial Advisor. Setterwalls Advokatbyrå AB is legal advisor to the Company and Baker McKenzie Advokatbyrå KB is legal advisor to the Sole Global Coordinator and Vator Securities AB as to Swedish and US law.



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For further information, please contact:

Kleanthis G. Xanthopoulos, Ph.D., President and CEO
kleanthis@irras.com

Fredrik Alpsten, CFO and Deputy CEO
fredrik@irras.com

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This announcement does not constitute an offer of the securities to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the securities. This announcement is being distributed to and is directed only at (i) persons who are outside the United Kingdom or (ii) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this announcement relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

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statements to reflect events that occur or circumstances that arise in relation to the content of this announcement.

In connection with the Offering, the Sole Global Coordinator may carry out transactions in order to provide support for the shares' market price at a level higher than that which might otherwise prevail on the market. Such stabilization transactions may be carried out on Nasdaq First North Premier, the OTC market or otherwise, and may be carried out at any time during the period beginning on the first day when the shares are traded on Nasdaq First North Premier and ending no later than 30 calendar days thereafter.

However, the Sole Global Coordinator is under no obligation to carry out stabilization of any kind, nor is there any guarantee that stabilization will be carried out. Moreover, where undertaken, stabilization may be discontinued at any time without prior notice. No transactions will be carried out under any circumstances in order to provide support for the shares' market price at a level higher than the price set in the Offering. Within a week of the expiry of the stabilization period, the Sole Global Coordinator, through the Company, will publish information on whether or not any stabilization has been carried out, the date when stabilization was undertaken, the last date when stabilization was carried out, as well as the price range within which stabilization was undertaken for all of the dates when stabilization transactions were carried out.