IRLAB

Q2.2026
Interim report
January – June 2026

IRLAB issues all its reports in Swedish language and this report has been translated into English. In the event of differences between the two, the Swedish version shall apply.

HENRIK GRADÉN OCH DAVID BLIMAN, working on designing drug candidates and producing them in our laboratory.

"The progress made during the quarter, together with the capital raising, has strengthened our ability to secure revenue-generating partnership agreements during the year, while advancing our prioritized drug development projects toward new milestones"

KRISTINA TORFGÅRD, CEO

Interim report January – June 2026

Highlights during and after the second quarter 2026

IRL757, BEING DEVELOPED FOR THE TREATMENT OF APATHY IN PD, HAS BEEN ASSIGNED THE GENERIC NAME LINEPEMAT BY WHO.

INTEGRATED ANALYSIS OF PHASE II CLINICAL DATA FOR MESDOPETAM CONFIRMS ROBUST EFFICACY RESULTS – PRESENTED AT THE INTERNATIONAL CONFERENCE STANCON.

THE RIGHTS ISSUE AND OVER-ALLOTMENT ISSUE PROVIDED THE COMPANY WITH APPROXIMATELY SEK 76.5 MILLION BEFORE ISSUE-RELATED COSTS.

Financial summary

SEK thousand	apr–jun 2026	apr–jun 2025	jan–jun 2026	jan–jun 2025	jan–dec 2025
Net sales	6,403	19,532	45,764	23,892	57,462
Operating profit	–16,705	–25,725	–5,975	–54,367	–93,398
Earnings per share before and after dilution, SEK	–0.23	–0.62	–0.12	–1.28	–1.6
Cash and cash equivalents	34,218	53,644	34,218	53,644	81,859
Cash flow from operating activities	–13,445	–42,629	–42,124	–30,329	–55,220
Average number of employees	31	31	31	31	31
Share price at the end of period, SEK	1.24	3.92	1.24	3.92	1.97

Presentation for investors and media about the Q2 2026

Wednesday August 26, 2026, at 10:00 CET is the presentation of the Q2 interim report through a digital webcast. Access via link or view after the event: https://youtube.com/live/OLKumPEvUq8

Financial calendar

Interim report Q3 2026	November 13, 2026
Year-end Report 2026	February 12, 2027

"With the clear priorities we established at the beginning of 2026 and a strengthened financial position, I look forward to leading the company toward our upcoming milestones and executing on our strategy to unlock the potential of our project portfolio."

KRISTINA TORFGÅRD, CEO

Comments from the CEO

During the period, IRLAB took several important steps forward: the drug candidate IRL757 was assigned the international nonproprietary name (INN) linepemat, an integrated analysis confirmed mesdopetam's efficacy profile ahead of Phase III, and a successful capital raise strengthened the company's financial position. With a strengthened cash position, the company is now aiming to bring the ongoing partner discussions to a conclusion during the year and deliver results from the Phase Ib study LIFT-PD in mid-2027.

Linepemat (IRL757) – advancing toward the next milestone

During the summer, we reached an important milestone when the World Health Organization (WHO) assigned IRL757 the generic name linepemat. The assignment of an internationally recognized nonproprietary name to a drug candidate confirms that the substance has a unique chemical identity and represents a distinct pharmaceutical compound. This means that the substance name is recognized worldwide and can be used by researchers, healthcare professionals, and in future pharmaceutical products. Going forward, we will therefore use the name linepemat in our external communications.

We continue to make good progress in LIFT-PD, our Phase Ib study of linepemat in people with Parkinson's disease and apathy. Recruitment is progressing, and we expect to present the first study results in mid-2027.

Apathy is a serious and often overlooked symptom for which there are currently no approved treatment options. To me, linepemat is one of the company's most attractive drug candidates, as it addresses an area with a very high unmet medical need.

Our collaboration with Otsuka secures funding for the development program through the LIFT-PD proof-of-concept study while also providing access to extensive scientific, clinical, and commercial expertise. Equally important, IRLAB retains all rights to the program, giving us significant strategic flexibility as we evaluate the next stages of development and future commercialization opportunities. Under the collaboration agreement, Otsuka has the opportunity to elect to expand the collaboration on linepemat following the completion of the LIFT-PD study.

Integrated analysis confirms mesdopetam's robust efficacy results

Another important event during the period was the presentation of an integrated analysis of clinical data for mesdopetam, our lead drug candidate for the treatment of levodopa-induced dyskinesias (LIDs), at StanCon 2026 – International Conference on Bayesian Inference and Probabilistic Programming.

The analysis is based on pooled data from our randomized, placebo-controlled Phase II studies and includes evaluations and comparisons of a large number of Bayesian statistical models. Although the numerical estimates of mesdopetam's anti-dyskinetic effects vary across models, the overall conclusion is unequivocal: the analysis confirms mesdopetam's clinically meaningful and favorable efficacy profile, as well as its anti-dyskinetic efficacy. For us, this represents important validation of the strength of the clinical data package for mesdopetam. The findings are valuable in preparing the program for Phase III, the final stage of clinical development, and further strengthen our position in ongoing partnering discussions regarding the program's continued development and commercialization.

During the quarter, we conducted an analysis of market access and pricing in Europe to reassess previous assumptions in light of evolving requirements for the valuation and reimbursement of new medicines, as well as global pricing dynamics. The analysis indicates that mesdopetam has the potential to achieve attractive and similarly high net prices in both Europe and the United States, with no significant risk associated with international reference pricing.

Strengthened foundation for the continued development of pirepemat

The positive feedback from leading international experts and the strong interest shown at the AD/PD 2026 scientific congress have reinforced our confidence in pirepemat's potential to prevent falls in people living with Parkinson's disease, an area where no established treatments currently exist. The insights generated from the REACT-PD clinical study provide a stronger foundation for the program's continued development. We are now focused on designing the next clinical study and defining the regulatory strategy needed to support further progress. In parallel, work continues to advance the large-scale manufacturing process for the active pharmaceutical ingredient. To finance the next stage of development, a partnership or licensing agreement is required that can support the program's continued development and commercialization.

IRL1117 – Advancing the future of Parkinson's disease treatment

IRL1117 has the potential to improve the standard treatment of Parkinson's disease. Based on the drug candidate's unique properties and mechanism of action, the objective is to develop a therapy with improved treatment adherence and, over time, provide an alternative to today's standard levodopa-based treatment, without the typical fluctuations and motor complications that often develop during long-term levodopa therapy.

During the period, we continued to strengthen the program through preclinical studies in preparation for a future application to initiate Phase I clinical trials. In parallel, the scale-up of active pharmaceutical ingredient (API) manufacturing is ongoing, representing an important step in preparing for the next phase of development.

Strengthened financial position creates new opportunities

Thanks to the rights issue and overallotment issue completed during the second quarter, we have strengthened our financial position, enhancing our ability to bring the ongoing partner discussions to a conclusion during the year.

At the same time, we have created additional flexibility to further increase the attractiveness of our drug development projects and reduce our reliance on debt financing. The capital infusion enables us to fund operations beyond the readout of the Phase IIb LIFT-PD study with linepemat (IRL757) in 2027, a key milestone in the development of the drug candidate for the treatment of apathy. It also allows us to advance IRL1117 toward Phase I, further strengthening the attractiveness of our project portfolio.

Well positioned for upcoming milestones

During the period, the Board of Directors was strengthened through the appointments of Janne Backman and James Gamgort. Their extensive experience in international business development and commercialization will be highly valuable to IRLAB as we focus on partnerships, continued clinical development, and the creation of long-term value.

I would like to extend my sincere thanks to both existing and new shareholders for your trust and support, to the Board of Directors for its commitment, and to all IRLAB employees for their hard work and dedication. I would also like to express my gratitude to the patients and caregivers participating in our studies. Your trust and involvement make our work possible.

With the clear priorities we established at the beginning of 2026 and a strengthened financial position, I look forward to leading the company toward upcoming milestones and working purposefully to realize the potential within our project portfolio.

With several important value-driving milestones ahead, I am confident about the company's continued development.

Kristina Torfgård, CEO, IRLAB

Our strategic priorities:

- **Partnerships and financing** – continued and deepen discussions with potential collaborators, licensees, and investors to secure funding for development programs and support the company's long-term growth.
- **Linepemat (IRL757)** – execute the ongoing Phase Ib clinical study in close collaboration with Otsuka, evaluate the results and determine the strategy for the next stage in development.
- **Mesdopetam** – secure funding for the Phase III program through strategic partnerships or licensing agreements.
- **Pirepemat** – implement the long-term development strategy and prepare for the next clinical study.
- **IRL1117** – advance preclinical development activities with the goal of making the project Phase I-ready.

IRLAB's unique offering and position

IRLAB discovers and develops novel treatments to transform the life of patients living with Parkinson's and other CNS disorders. Rooted in Nobel Prize-winning research, IRLAB has grown rapidly to become recognized and respected as a world-leader in understanding the complex neuropharmacology of CNS disorders and especially Parkinson's. We have a welldefined, strategically focused R&D pipeline of powerful new treatments targeting various stages of Parkinson's. Having a full range of effective treatments for the disease's different complications and symptoms is regarded as essential by both the medical and patient communities and is at the same time potentially a possibility for a successful pharmaceutical business.

Pioneering biology & ISP

IRLAB has deep profound understanding of Parkinson's based on research conducted by the research group of Nobel laureate Prof. Arvid Carlsson. IRLAB has a unique proprietary research platform – Integrative Screening Process (ISP) – that has generated all of the company's first-in-class drug candidates.

Focused strategy

Medicines developed by IRLAB should be able to treat people with Parkinson's throughout all stages of the disease. IRLAB has blockbuster potential as a pharma business.

Validated proof-of-concept

IRLAB has validated the R&D and business strategy by:

- Discovering and developing investigational drugs from drug discovery to Phase III-ready projects.

Organization positioned for success

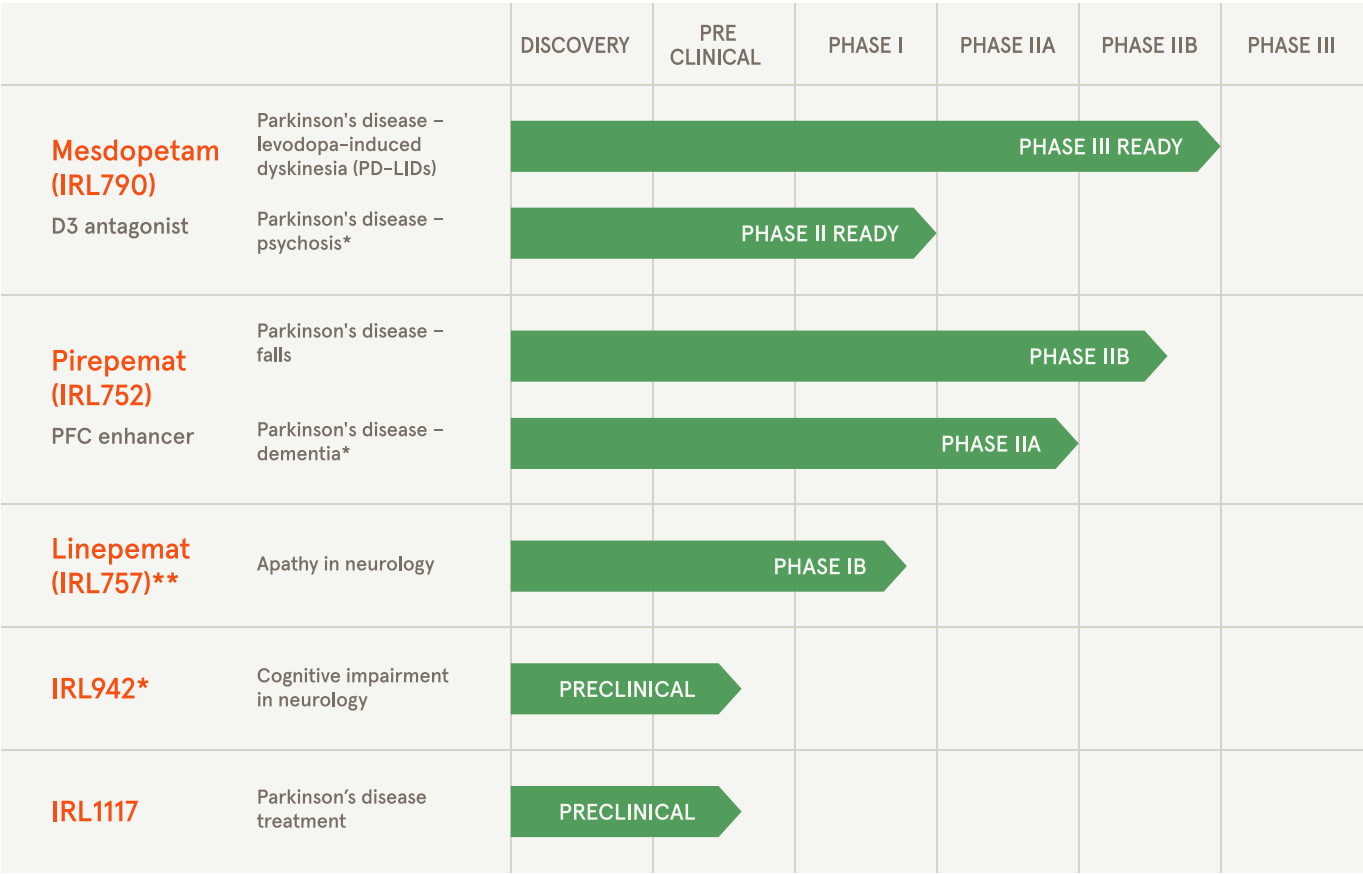
IRLAB is an organization with an experienced team. IRLAB is listed on the Nasdaq Stockholm main market (IRLAB A).

Broad & solid portfolio

IRLAB's portfolio comprises five unique drug candidates, each with blockbuster potential, generated by the world-unique ISP research platform.

IRLAB's portolio

"First-in-class" drug candidates to treat people with Parkinson's throughout all stages of disease.



* Currently no active clinical development in this indication.

** Supported by The Michael J. Fox Foundation and in collaboration with Otsuka.

R&D update

"Important milestones have been reached during the period: In the mesdopetam program the updated market access and pricing assessments across Europe which confirms previous assumptions on pricing in Europe and also provides strong arguments for holding up in the globally evolving pricing dynamics. Further, a recently published meta-analysis combining the mesdopetam Phase IIa and Phase IIb data confirms strengthens mesdopetam's clinically relevant efficacy profile and its anti- dyskinetic effectiveness in the population of PD patients who have no treatment options today.

The IRL757 study is running at full capacity across Europe. The World Health Organization (WHO) announced that IRL757 had been assigned the generic name linepemat—an acknowledgment that the substance possesses a unique pharmacological profile and constitutes a unique entity.

The preclinical and CMC development of IRL1117 is progressing according to plan.

Overall, the period has been productive and rewarding for IRLAB and strengthening of the development programs continues."

NICHOLAS WATERS, EVP AND HEAD OF R&D

About IRLAB's drug candidates

Mesdopetam

The goal for mesdopetam is to improve the quality of life for people living with Parkinson's and suffering from dyskinesia, a serious type of troublesome and involuntary movements that commonly occur after long-term levodopa treatment.

It is estimated that about 40 percent of all people treated for Parkinson's have dyskinesia, which corresponds to approximately 1.4–2.3 million people in the eight largest markets in the world (US, EU5, China and Japan). Of these individuals living with Parkinson's today, as many as 75% go untreated for their dyskinesia. Thus, most patients with dyskinesias are not treated with any specific anti-dyskinetic medication, as the alternative treatment strategies available either have insufficient efficacy or are not tolerated. Instead, levodopa dose adjustment is usually relied on, most often through dose reduction. This is then followed in severe cases by complex and expensive treatments based on surgical procedures for the implantation of pump-based infusion of levodopa, or surgical implantation of electrodes in the brain.

Mesdopetam specifically targets this large group of patients, without adequate pharmacological treatment, and has significant clinical and commercial potential to address this medical need.

Mesdopetam also has the potential to treat Parkinson's psychosis (PD-P), which affects approximately 1.5 million people in the eight largest markets worldwide. Furthermore, mesdopetam has the potential to treat other neurological diseases such as tardive dyskinesia, which represent an even larger market.

The successful Phase Ib, Phase IIa and Phase IIb studies in PD-LIDs showed a very good safety and tolerability profile and Proof-of-Concept with the potential for a full anti-dyskinetic effect in the majority of patients who do not respond to or tolerate current treatment strategies. The Phase IIb study indicated a dose-dependent anti-dyskinetic and anti-parkinsonian effect in combination with a tolerability and safety profile that does not differ from placebo in this particular group of patients.

Mesdopetam can thus treat dyskinesia and at the same time have a beneficial effect on other Parkinson's symptoms without causing more side effects than placebo, this in patients who do not have any alternative treatments today, which gives mesdopetam a unique and differentiated position in the global competition.

The agreement between the regulatory authorities FDA and EMA on the design of the Phase III program for mesdopetam, with two parallel efficacy studies with a three-month treatment period, followed by a 9 month open label extension for participants who wish to continue treatment and a parallel safety study,

provides IRLAB with a Phase III program that can lead to market approval in both the US and Europe.

The market research conducted by external market access and pricing consultants company shows that mesdopetam has a very high potential to become an important treatment for the vast majority of individuals living with Parkinson's and levodopa-induced dyskinesias, who currently do not respond to, or tolerate, the available options.

Current status

The authorities in both the US and Europe consider that the studies and data generated to date are adequate to advance the program into Phase III.

Their assessment is based on the completed preclinical studies, toxicology studies, CMC development and clinical studies from Phase I through Phase IIb. It has also been confirmed that the FDA, EMA and IRLAB have a common view regarding the design of the Phase III program studies and the key components for evaluating efficacy ("endpoints") and safety. The company has also obtained scientific advice from national European drug regulatory authorities in Germany (BfArM) and Portugal (Infarmed), in order to ensure that the mesdopetam development program also meets specific national requirements.

The Phase III program will include double-blind treatment with mesdopetam or placebo in approximately 300 patients for 3 months divided into two studies of approximately 150 patients/study that will be conducted in parallel, followed by a so-called Open Label Extension (OLE) for those patients who so wish. In parallel with the efficacy and OLE studies, a separate safety study of 6-12 months will be conducted. This is done to meet the FDA's requirement to achieve at least 100 patients treated with mesdopetam for one year, as well as to meet the general guidelines that indicate that a safety population should amount to 300-600 patients treated for 6 months.

During the past year, work has been carried out to develop the marketing strategy for mesdopetam, through structured interviews with healthcare organization leaders to better understand medical needs from the perspective of healthcare and those who finance healthcare. By gaining insight into the needs of patients, regulatory authorities and healthcare, the program has been designed so that the future medicine meets all expectations and requirements and can thereby become a successful and appreciated treatment.

During H1 2026 a market survey was concluded, this time with a group of neurologists with extensive clinical experience in treating patients with levodopa-induced dyskinesias (LIDs), and with responsibility for large groups of patients with Parkinson's disease. The results confirm that there is a significant unmet need for effective and safer treatment options for LIDs. Interest in mesdopetam was consistently high. The drug candidate's differentiated mechanism of action (dopamine D3 receptor antagonism) and its clinical profile were assessed as very advantageous over existing treatment strategies. The assessment was made based on efficacy, safety, tolerability and mesdopetam's simple dosing regimen, which together are perceived as a clear differentiation compared to existing treatments. A market access and pricing effort was conducted in Europe during the second quarter. The objective was to test the European pricing assumptions previously predicted now considering the evolving Health Technology Assessment (HTA) environment and changes in global pricing dynamics, including Most-Favored-Nation drug pricing policy (MFN). The conclusion from the study is that mesdopetam can achieve similarly high net prices in both the US and Europe without significant MFN risk.

An integrated analysis of clinical data for mesdopetam was presented at StanCon 2026 – the International Conference on Bayesian Inference and Probabilistic Programming. The analysis is based on pooled data from our randomized, placebo-controlled Phase IIa and Phase IIb studies and relies on analyses involving—and comparisons between—a wide range of Bayesian statistical models. While the numerical estimates of mesdopetam's anti-dyskinetic effects vary slightly, the conclusion is unequivocal: the analysis confirms mesdopetam's clinically relevant efficacy profile and its anti-dyskinetic effectiveness.During the past year, the company has been granted additional so-called "composition of matter" patents in Europe, the USA and during the period also in China. These patents provide exclusive patent protection for mesdopetam but also protect the process for its production. The granted patents expand the already strong patent protection for mesdopetam. There is therefore potential for market exclusivity towards 2044/2045 in the large and important markets. At the end of the year, the company received information that the European Patent Office (EPO) intends to grant an additional patent for mesdopetam. The new patent covers various forms of the salt of the drug candidate and expands the already strong intellectual property protection for mesdopetam and provides important additional protection for the drug candidate and its market exclusivity, with the possibility of extended exclusivity. Additional patent applications for mesdopetam have also been granted in China.

Pirepemat

Pirepemat (IRL752) has the potential to be the first in a new class of drugs designed to reduce falls and fall injuries in people living with Parkinson's. It does this by inhibiting 5HT7 and alpha2 receptors in the cerebral cortex, leading to increased dopamine and noradrenaline levels in this brain region, an effect that cannot be achieved with the drugs currently prescribed for people living with Parkinson's

Falls are a serious consequence of Parkinson's and often lead to severe complications such as fractures, reduced mobility and reduced quality of life. Approximately 50 percent of all people treated for Parkinson's fall regularly, which means that approximately 2.6 million people suffer from a significantly reduced quality of life, also driven by the fear of falling. There are currently no treatments available despite the great medical need. The burden of falls on society is also significant. The cost of hospital care in the USA was estimated a few years ago at approximately USD 30,000 for a fall injury in a person over 65 years of age. The costs for society are also significant. In the USA alone, injuries related to falls in the elderly (>65 years of age) are estimated to cost up to USD 80 billion/year (doi: 10.1136/ip-2023-045023).

After completing successful Phase I studies, an exploratory Phase IIa study was conducted in 32 people with advanced Parkinson's and cognitive impairment, and the recently completed REACT-PD study indicates that pirepemat has the potential to reduce the risk of falls and, consequently, fall-related injuries.

Current status

The Phase IIb study (REACT-PD), which was completed in the beginning of 2025, evaluated the effect of pirepemat on fall frequency in Parkinson's patients over three months of treatment. Secondary objectives include cognitive and neuropsychiatric evaluations and continued studies of safety and tolerability.

The results showed that treatment with pirepemat (600 mg daily) reduces fall frequency by 42 percent in people with Parkinson's disease, but that the effect did not reach statistical significance compared to placebo. Additional results, based on predefined analyses of efficacy data from the REACT-PD study, show that medium plasma concentrations of pirepemat reduce fall frequency by as much as 51.5% after three months of treatment. This effect is highly clinically meaningful and statistically significant ($p<0.05$ compared to placebo). A reduction in falls in Parkinson's is considered clinically meaningful if the reduction is approximately 20-25% (DOI:10.1016/j.parkreldis.2018.11.008).

In late December 2025, IRLAB's external scientific advisory board met to evaluate the results of the REACT-PD study and discuss the next steps in the pirepemat development program. The scientific council consists of four Key Opinion Leaders (KOLs) from North America, Europe and Scandinavia, recognized for their expertise in Parkinson's disease with a particular focus on falls, complications related to falls and the mechanisms leading to falls in Parkinson's.

The expert group believes that falls are a significant unmet medical need in Parkinson's disease and that there is a lack of available drug treatment. The group emphasized that falls are an important clinical indicator and should be the primary focus of future clinical trials with pirepemat. The reduction in falls observed in the REACT-PD trial by pirepemat was considered to be highly clinically meaningful. Furthermore, the pharmacological rationale and mechanism of action of pirepemat are consistent with the biphasic concentration-response profile observed in REACT-PD. The expert group concluded that pirepemat is a promising drug candidate that may provide meaningful therapeutic benefits and that further development is warranted.

Based on the promising results for the drug candidate and the advice provided by the expert group, a strengthened development plan is in place. The work includes continued development of the drug substance manufacturing method on a large scale as well as all preparations for the implementation of a clinical study with the goal of optimizing the titration of individual dosage so that all treated individuals fall within the effective therapeutic window. The results will be an important building block in the design of the future phase III program.

The strong interest was also confirmed at the international AD/PD conference in March 2026, where the results from REACT PD aroused great engagement and gave rise to continued and new dialogues.

More information about REACT-PD can be found on EudraCT: 2019-002627-16 and clinicaltrials.gov: NCT05258071.

Patents granting market exclusivity for pirepemat in all major markets, USA, Europe, Japan extend into the mid-2040s.

Linepemat (IRL757)

IRL757 aims to treat apathy in Parkinson's and other neurological diseases. Apathy is a disabling condition that affects over 10 million people in the US and an equal number in Europe. The prevalence is high and apathy is estimated to occur in 20–70 percent of people diagnosed with Parkinson's, representing 1.1–4.0 million people in the eight largest markets worldwide. Apathy also occurs in 43–59 percent of people diagnosed with Alzheimer's disease, representing 4.9–6.7 million people in the ten largest markets alone (France, Canada, China, Italy, Japan, Spain, the UK, South Korea, Germany and the US).

IRL757 has shown beneficial effects in several preclinical models of cognitive impairment and motivation. The effects of IRL757 observed in these models are thought to be linked to IRL757's ability to counteract the attenuation of neural signaling from the cerebral cortex to deeper brain regions, a mechanism that has been proposed to underlie apathy in neurological diseases.

Current status

The development program for IRL757 is fully funded through so-called "signal-finding" studies in patients with Parkinson's and apathy. The development program has been funded through a research grant from The Michael J. Fox Foundation and a collaborative agreement with the global pharmaceutical company Otsuka.

During the past year, we have successfully completed the preclinical safety and toxicology studies, Phase I clinical studies and submitted an application for approval to conduct a larger study of IRL757 in patients with Parkinson's and apathy.

The results from the preclinical and clinical Phase I studies show that IRL757 is well absorbed, provides good exposure in the body and has a good tolerability and safety profile. Overall, safety, tolerability and pharmacokinetic profile support the continued development of IRL757.

Following EMA approval to conduct LIFT-PD, a clinical trial of IRL757 in people living with Parkinson and apathy has been activated at clinics across Europe. Screening of study participants began in January 2026 and the first patients were randomized to active treatment or placebo in February.

During the summer, the World Health Organization (WHO) announced that IRL757 had been assigned the generic name linepemat – an acknowledgment that the substance possesses a unique pharmacological profile and constitutes a unique pharmaceutical entity. Linepemat is now recognized globally and is available for use by researchers and healthcare professionals, as well as in future pharmaceutical products. Moving forward, the name linepemat will be used in all communications.

IRL942

Approximately 12 percent of people aged 65 and older experience cognitive decline, which greatly affects their quality of life. The condition is even more common in people living with neurological diseases.

Impaired nerve signaling in the cerebral cortex is believed to be a cause of cognitive impairment and neuropsychiatric symptoms in Parkinson's and other neurological diseases.

IRL942 has a unique ability to enhance frontal cortex nerve signaling, activate genes important for the function of neural connections and the associated neural pathways in the cerebral cortex, which counteracts impaired cognitive function. This has been shown in several different preclinical models of impaired cognitive function.

IRL942 could thus become a drug that can improve cognitive

function in the 1.5 million people treated for Parkinson's and the 3 million people treated for Alzheimer's, estimated in the ten largest markets

Current status

The development of GMP manufacturing of the drug substance and the development of the drug product, i.e. the pharmaceutical formulation, have been completed. The development pace for IRL942 has been reduced, resulting in the completion of the preclinical regulatory toxicology and safety studies required to begin Phase I clinical development not earlier than during 2027.

IRL1117

Treatment with IRL1117 leads to potent dopamine D1 and D2 receptor activation, which in preclinical studies has shown full anti-Parkinson effect, rapid onset and more than 24 hours of sustained effect. The goal of the drug candidate IRL1117 is an orally administered drug for the treatment of the core symptoms of Parkinson's disease that should be taken once a day.

People with Parkinson's disease are currently prescribed the anti-Parkinson's treatment levodopa, which treats the core symptoms of the disease, tremor, rigidity and bradykinesia (slow movements). Levodopa has been the standard treatment for Parkinson's since the 1960s and is currently the only medication that provides symptomatic relief of the disease throughout its progression.

However, levodopa has significant treatment-related limitations, especially the short duration of action and the occurrence of treatment-related complications in the form of fluctuations in treatment effect and excessive involuntary movements. Compared to levodopa treatment, IRL1117 differs significantly because in preclinical studies it has higher potency and shows a full anti-Parkinsonian effect in long-term treatment, dosed only once a day, without causing the troublesome complications that occur with long-term treatment with levodopa.

These complications are linked to the activation of certain genes in the brain areas affected by Parkinson's. In animal studies completed in the second quarter comparing the effects of IRL1117 and levodopa, the results show that IRL1117 provides full anti-Parkinson's effect without activating these genes and does not cause complications. Levodopa, on the other hand, activates these genes and leads to known complications. The study thus clarifies the advantage of treatment with IRL1117 compared to levodopa.

As a potentially better alternative to levodopa, IRL1117 could be administered to all people currently being treated for Parkinson's, i.e. up to 5.7 million people in the eight largest markets.

Current status

The development work with IRL1117 is ongoing. The preclinical results in long-term treatment show that IRL1117 has full anti-Parkinson effect and at the same time does not cause the well-known complications, such as severe fluctuations in effect, that occur in long-term treatment with levodopa. The results are very promising and indicate that IRL1117 has the potential to significantly improve the basic treatment of Parkinson's.

In parallel, the method development for substance manufacturing on a larger scale (CMC work) is underway. We are now working on optimizing the method for GMP syntheses to manufacture the amount of substance required for the implementation of the preclinical regulatory safety and toxicological studies that are necessary for the start of Phase I.

During the period, an external laboratory has conducted additional studies with IRL1117. The studies verify, among other things, safety aspects, the long-term effect of IRL1117 and contribute with additional necessary DMPK data for the upcoming application for the implementation of Phase I studies

Integrative Screening Process (ISP)

IRLAB's portfolio is generated with the unique proprietary drug discovery platform Integrative Screening Process, called ISP, which has proven to enable the discovery of truly novel first-in-class compounds. The ISP methodology combines systems biology screening models, an extensive database, and modern machine learning-based analytical methods. This means that IRLAB obtains unique insights into the overall effect of the studied molecules at an early stage.

The platform can already at the discovery phase predict the drug candidates with the greatest potential in a certain indication, as well as the lowest technical risks. ISP provides an improvement in probability of drug discovery success in clinical phase transition, compared with industry standard. This is also exemplified by higher probability to demonstrate clinical proof-of-concept in patients and reach later stages of clinical development for an ISP generated drug candidate compared with industry standard.

Our discovery and development strategy provides IRLAB with a strong competitive advantage in the discovery of novel treatments for Parkinson's and other CNS disorders. It is important to IRLAB to constantly refine and develop this technology-base to remain at the forefront of modern drug discovery. A close cooperation with universities and academic researchers also contributes to IRLAB being able to keep leading the development of cutting-edge technology.

Current status

In early 2026, a collaboration was initiated with the Danish biotechnology company Biomia ApS, where IRLAB's research platform is used to evaluate Biomia's drug candidates. Through this collaboration, we can apply our extensive expertise in the development of new treatments for CNS diseases. The collaboration with Biomia represents a natural step for IRLAB to utilize the ISP platform in CNS diseases outside of Parkinson's.

The group's performance January – June 2026

IRLAB Therapeutics AB, corporate identity number 556931-4692, is the parent company in a group that carries out research and development with the aim of transforming life for people with Parkinson's and other CNS disorders through novel treatments. The parent company's operations mainly consist of providing management and administrative services to the group's operating companies, and activities related to the stock market. The research and development operations are conducted in the wholly-owned subsidiary Integrative Research Laboratories Sweden AB. IRLAB has offices in Gothenburg (main) and Stockholm, Sweden.

Revenues

The Group's revenue for the period January 1 - June 30 2026 amounted to SEK 47,204k (27,858), of this amount, SEK 45,764k (23,892) represents net sales, consisting of a milestone payment from Otsuka of USD 3 million, corresponding to SEK 27,101k, and service revenues of SEK 18,663k. The remaining amount comprises other income, consisting of foreign exchange effects in 2026 and a grant from the Michael J. Fox Foundation in 2025.

Research and development costs

For the period January 1 - June 30, 2026 the total costs for research and development were SEK -43,080k (-65,901), corresponding to 81 percent (80) of the group's total operating expenses. Development costs vary over time, depending on where in the development phase the projects are.

Operating expenses

The Group's operating expenses amounted for the period January 1 - June 30, 2026 to SEK -53,180k (-82,225), and for the second quarter of 2026 to SEK -23,404k (-45,527).

Other external costs

Other external costs for the period January 1 - June 30, 2026 amounted to SEK -30,292k (-51,120), and for the second quarter of 2026 to SEK -11,590k (-29,950). Costs decreased compared with the corresponding period in the previous year, mainly due to lower levels of clinical trial activity than in earlier periods. Furthermore, cost-saving measures implemented by the Company have contributed to reducing expenses.

The Personnel costs

Personnel costs amounted to SEK -20,819k (-23,992) for the period January 1 - June 30, 2026, and for the second quarter of 2026 to SEK -10,788k (-12,302). The number of employees is in line with the first and second quarter of 2025. Personnel costs decreased compared with the prior year, primarily as a result of the voluntary reduction in working hours agreed by employees for the first half of 2026.

Depreciation

Depreciation amounted to SEK -2,068k (-2,233) for the period January 1 – June 30, 2026.

Financial Items

Financial income for the period January 1 – June 30 2026 amounted to SEK 554k (637). Financial expenses for the period January 1 - June 30, 2026 amounted to SEK -4,694k (-12,555). The financial expenses comprise of interest expenses, transaction fees and arrangement fees related to loans from Fenja Capital, and shareholder loans, totaling SEK -1,434k (-2,912). Financial expenses decreased compared with the prior-year period, mainly due to the repayment and conversion of loan liabilities in connection with the share issues completed in June 2025 and June 2026.

Result for the period

The result for the period January 1 – June 30, 2026 amounted to SEK -10,116k (-66,284).

The company has no tax costs since there is no profit.

Equity

Equity in the Group amounted to SEK 97,131k (-27,683) on June 30, 2026 and the equity ratio was 53 (neg) percent. Equity in the Parent Company amounted to SEK 401,573k (293,439) and the equity ratio was 94 (79) percent.

Financial position

Cash and cash equivalents

The Group's cash and cash equivalents, including cash and bank accounts, amounted to SEK 34,218k (53,644) at the end of the period. No cash or cash equivalents of the Group were pledged as security in 2026 or 2025.

Cash flow

Cash flow from operating activities amounted to SEK -42,124k (-30,329) during the period January 1 - June 30, 2026.

Cash flow from investing activities amounted to SEK 0k (0) during the period January 1 - June 30, 2026.

Cash flow from financing activities amounted to SEK -7,738k (17,056) during the period January 1 - June 30, 2026.

The cash flow during the period January 1 - June 30, 2026. amounted to SEK -49,862k (-13,273).

In the reports for the first and second quarters of 2025, some of the interest expenses and paid option premiums were incorrectly treated as affecting cash flow, which has been corrected in this report.

At the end of the fourth quarter, as of 31 December 2025, the covenant relating to the loan amount in relation to market value was not fulfilled, resulting in the Company amortizing SEK 3,000k in January 2026. At the end of the first quarter, as of 31 March 2026, the same covenant was not fulfilled, resulting in an additional amortization of SEK 3,000k in April 2026. For further information on the covenant terms, see Note 28 in the 2025 Annual Report.

In May 2026, the Company announced that the Board of Directors had resolved to undertake a share issue, subject to subsequent approval by an Extraordinary General Meeting. On June 5, 2026, the Extraordinary General Meeting approved

the Board of Directors' resolution to carry out a rights issue and an over-allotment issue.

The rights issue was oversubscribed by approximately 112.6%, and the Company resolved to allocate shares within the framework of the over-allotment option. The rights issue raised approximately SEK 68 million before deduction of transaction costs, while the over-allotment issue generated approximately SEK 8.6 million before deduction of transaction costs. In connection with the offering, the Company repaid SEK 5.2 million of its outstanding loan and renegotiated the loan agreement with Fenja, whereby the remaining SEK 18.5 million of the outstanding loan balance of approximately SEK 23.7 million was extended from 30 October 2026 to 30 November 2027.

As part of the renegotiation of the Fenja loan, the previously issued warrants were replaced by new warrants entitling Fenja to subscribe for Class A shares at a subscription price of SEK 1.68 per share. The number of warrants corresponds to a dilution effect of approximately 3% relative to the number of shares outstanding in the Company following completion of the aforementioned share issues. The warrants expire on 30 April 2031. The arrangement fee is recognised as a finance cost in June 2026. Transaction costs are recognised as a non-cash interest expense and are amortised over the term of the loan. The value of the warrants granted is accounted for in the same manner and recognised as a non-cash interest expense. Over the term of the facility, the liability to Fenja will increase correspondingly so that the carrying amount of the loan at maturity will amount to SEK 18.5 million. The amended loan agreement became effective in connection with the completion of the offering, which occurred in July and August 2026.

The rights issue was registered and settled in July 2026. The over-allotment issue was partially registered and partially settled in July 2026. In June 2026, the upcoming share issue proceeds were booked as a short-term receivable of approximately SEK 76.5 million. In August 2026, the issue was paid and IRLAB received approximately SEK 67.4 million after issue costs and taking into account amortization to Fenja Capital.

Investments

No investments were made by the Group in the first half of 2026 or 2025. Most expenditures relate to research and development and are expensed as incurred. The Company has no ongoing or planned tangible investments.

Financial postition

IRLAB is a research and development company with no regular income. The company is primarily financed via the capital market or through the sale or out-licensing of projects, with an initial payment at signing of the agreement, as another financing option. In addition to revenues from operations, the financing strategy is based on continually ensuring that the company is adequately financed through the capital market to effectively run the operations and make rational business decisions.

The Group continuously evaluates its funding requirements and financing alternatives. The Board of Directors and the Chief Executive Officer consider that the completed share issue has strengthened the Company's financial position and provides a basis for the Company's continued operations. To meet future funding needs, the Company is actively engaged in processes aimed at securing collaborations, licensing agreements and financing through other capital markets transactions.

The IRLAB share

IRLAB's Class A share has been listed on Nasdaq Stockholm's main list since September 30, 2020.

Share capital, number of shares and voting rights

At the end of the period, the registered share capital of IRLAB amounted to SEK 1,698,760, divided into a total of 84,938,020 shares with a quota value of SEK 0.02 per share. There are 84,858,244 Class A shares and 79,776 Class B shares. All shares, including Class B shares, carry one vote each.

During July, the registered number of shares and votes changed due to the recent share issue. As of July 31, 2026, the total number of shares in IRLAB is 146,461,921, of which 146,382,145 are ordinary shares of series A and 79,776 are ordinary shares of series B, with one (1) vote each.

During August, the recently completed share issue was finalized, and the changes in the number of shares and votes were duly registered. As of the date of publication of this interim report, the total number of shares in IRLAB amounts to 148,711,921, of which 148,632,145 are Class A ordinary shares and 79,776 are Class B ordinary shares. Each share carries one (1) vote.

Warrants Programmes

Directec Issue of Warrants to Fenja Capital II A/S.

The Annual General Meeting held on June 30, 2026 resolved on a directed issue of warrants to Fenja Capital in accordance with the loan agreement entered into between the Company and Fenja Capital in May, 2026, which became effective in July, 2026.

Fenja Capital II A/S subscribed for 4,599,337 warrants of series 2026/2031 in the Company in July 2026. The warrants were issued free of charge. Each (1) warrant entitles the holder to subscribe for one (1) new Class A ordinary share in the Company at a subscription price of SEK 1.68 per share. The subscription price was determined through arm's-length negotiations.

Subscription for new Class A ordinary shares by exercise of the warrants may take place from July, 2026 up to and including April 30, 2031. Upon full exercise of the warrants, the share capital may increase by a maximum of SEK 104,964.96.

Share-Based incentive Programme for the board of directors 2026/2029:1

The Annual General Meeting held on June 30, 2026 resolved to establish a warrant programme for members of the Board of Directors of IRLAB with a term of approximately three (3) years. Each warrant entitles the holder to subscribe for one (1) new Class A ordinary share during the period from September 1, 2029 up to and including September 29, 2029.

The fair value of the warrants was calculated and determined by an independent third party using the Black-Scholes valuation model and amounted to SEK 0.1798 per warrant. The subscription price for shares subscribed for pursuant to the warrants was set at SEK 2.63 per Class A ordinary share.

Three Board members subscribed for a total of 1,110,000 warrants of series 2026/2029:1 in July 2026, which, if fully exercised, would result in dilution of approximately 0.8%. Full exercise of the subscribed warrants would increase the share capital by a maximum of SEK 22,000.00.

Consolidated income statement in summary

Amounts in SEK thousand	2026 Apr–Jun	2025 Apr–Jun	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Operating income					
Net revenue	6,403	19,532	45,764	23,892	57,462
Other operating income	296	269	1,440	3,966	5,335
Total income	*6,700*	*19,801*	*47,204*	*27,858*	*62,797*
Operating expenses					
Other external costs	-11,590	-29,950	-30,292	-51,120	-99,375
Personnel costs	-10,788	-12,302	-20,819	-23,992	-46,116
Depreciation of intangible and tangible fixed assets	-1,027	-1,111	-2,068	-2,233	-4,319
Other operating cost	-	-2,163	-	-4,880	-6,384
Total operating expenses	*-23,404*	*-45,527*	*-53,180*	*-82,225*	*-156,195*
Operating result	**-16,705**	**-25,725**	**-5,975**	**-54,367**	**-93,398**
Result from financial items					
Financial income	224	399	554	637	1,375
Financial costs	-2,759	-6,989	-4,694	-12,555	-17,987
Total financial items	*-2,535*	*-6,590*	*-4,141*	*-11,917*	*-16,612*
Result after financial items	**-19,239**	**-32,315**	**-10,116**	**-66,284**	**-110,010**
Tax on income	-	-	-	-	-
Result for the period	**-19,239**	**-32,315**	**-10,116**	**-66,284**	**-110,010**
Earnings per share before and after dilution (SEK)	-0.23	-0.62	-0.12	-1.28	-1.64
Average number of shares, before and after dilution	84,938,020	51,748,406	84,938,020	51,866,406	66,998,887
Number of shares at end of period	84,938,020	51,748,406	84,938,020	51,866,406	84,938,020

Profit/loss for the period is entirely attributable to the parent company's shareholders.

Consolidated statement of comprehensive income in summary

Amounts in SEK thousand	2026 Apr–Jun	2025 Apr–Jun	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Result for the period	–19,239	–32,315	–10,116	–66,284	-110,010
Other comprehensive income	-	-	-	-	-
Total result for the period	**–19,239**	**–32,315**	**–10,116**	**–66,284**	**–110,010**

Consolidated statement of financial position in summary

Amounts in SEK thousand	06/30/2026	06/30/2025	12/31/2025
ASSETS			
Fixed assets			
Intangible fixed assets	46,862	46,862	46,862
Tangible fixed assets	3,405	7,560	5,474
Total fixed assets	**50,267**	**54,421**	**52,335**
Current assets			
Short-term receivables	97,886	8,433	6,609
Cash and cash equivalents	34,218	53,644	81,859
Total current assets	**132,105**	**62,077**	**88,468**
TOTAL ASSETS	**182,373**	**116,498**	**140,804**
EQUITY AND LIABILITIES			
Equity			
Share capital	1,699	1,037	1,699
Share capital pending registration	1,275	-	-
Other contributed capital	875,662	696,171	800,408
Retained earnings incl. results for the period	–781,505	–724,892	–771,389
Total equity	**97,131**	**-27,683**	**30,718**
Long-term liabilities			
Interest bearing debt, leasing	-	1,798	-
Total long-term liabilities	**-**	**1,798**	**-**
Short-term liabilities			
Interest bearing debt, loan	22,403	51,746	26,416
Interest bearing debt, loan shareholder	-	18,795	-
Interest bearing debt, leasing	1,798	3,418	3,536
Other liabilities	61,041	68,425	80,134
Total short-term liabilities	**85,242**	**142,384**	**110,086**
TOTAL EQUITY AND LIABILITIES	**182,373**	**116,498**	**140,804**

Consolidated statement of changes in equity in summary

Amounts in SEK thousand	Share capital	Other contributed capital	Retained earnings incl. total comprehen-sive income for the period	Total equity
Equity January 1, 2025	**1,037**	**690,205**	**–658,608**	**32,635**
Warrant premiums paid	-	5,967	-	5,967
Comprehensive income for the period	-	-	–66,284	–66,284
Equity June 30, 2025	**1,037**	**696,172**	**–724,892**	**-27,683**
Rigts issue	661	115,082	-	115,743
Issue cost	-	-13,305	-	-13,305
Convertible effect	-		-2,771	-2,771
Warrant premium	-	2,460	-	2,460
Comprehensive income for the period	-	-	-43,726	-43,726
Equity December 30, 2025	**1,699**	**800,408**	**–771,389**	**30,718**
Equity January 1, 2026	**1,699**	**800,408**	**-771,389**	**30,718**
Unregistered share issue	1,275	75,253	-	76,529
Issue costs	-	-	-	-
Comprehensive income for the period	-	-	-10,116	-10,116
Equity June 30, 2026	**2,974**	**875,661**	**–781,505**	**97,131**

Consolidated statement of cash flows in summary

Amounts in SEK thousand	2026 Apr–Jun	2025 Apr–Jun	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Operating activities					
Operating result	–16,705	–25,725	–5,975	–54,367	–93,398
Adjustment for items not included in the cash flow	273	1,111	–154	2,233	7,562
Interest	0	1	1	2	1,375
Paid interest	–1,765	–2,702	–2,707	–3,831	–12,503
Cash flow from operating activities before changes in working capital	**–18,196**	**–27,315**	**–8,835**	**–55,962**	**–96,963**
Cash flow from changes in working capital					
Change in operating receivables	12,545	6,020	–15,595	4,843	5,679
Change in operating liabilities	–7,795	–21,333	–17,694	20,791	36,064
Cash flow from operating activities	**–13,445**	**–42,629**	**–42,124**	**–30,329**	**–55,220**
Investment activities					
Acquisition of tangible fixed assets	–	–	–	–	–
Cash flow from investment activities	**–**	**–**	**–**	**–**	**–**
Financing activities					
New financial debts	–	8,532	–	18,795	18,795
Amortization of financial liabilities, loan debt	–3,000	–	–6,000	–	–16,530
Amortization of financial liabilities, leasing debt	–876	–864	–1,738	–1,739	–3,419
Rights issue				–	74,560
Cash flow from financing activities	**–3,876**	**7,668**	**–7,738**	**17,056**	**73,405**
Cash flow for the period	**–17,322**	**–34,961**	**–49,862**	**–13,273**	**18,185**
Cash and cash equivalents at the start of the period	50,786	88,605	81,859	66,917	66,917
Unrealized exchange rate effects on foreign currency bank accounts.	754	–	2,222	–	–3,243
Cash and cash equivalents at the end of the period	**34,218**	**53,644**	**34,218**	**53,644**	**81,859**

Parent company income statement in summary

Amounts in SEK thousand	2026 Apr–Jun	2025 Apr–Jun	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Operating income					
Net revenue	1,256	1,529	2,440	2,940	5,880
Total income	*1,256*	*1,529*	*2,440*	*2,940*	*5,880*
Operating expenses					
Other external costs	–1,627	–2,541	–3,221	–4,678	–8,248
Personnel costs	–2,960	–3,666	–5,919	–7,343	–13,331
Other operating expences	-	-	-	-	1
Total operating expenses	*–4,587*	*–6,207*	*–9,140*	*–12,021*	–21,578
Operating result	***–3,331***	***–4,678***	***–6,700***	***–9,081***	***–15,698***
Result from financial items					
Results from impairment losses in group companies	-	-60,257	-7,500	-60,257	-100,257
Interest income	5	71	30	207	333
Interest costs	-2,714	-6,879	-4,590	-12,329	-17,601
Total financial items	*-2,708*	*-67,065*	*-12,060*	*-72,379*	*-117,524*
Result after financial items	***–6,039***	***–71,743***	***–18,760***	***–81,459***	***–133,222***
Tax on the period's result	-	-	-	-	-
Result for the perioden	**–6,039**	**–71,743**	**–18,760**	**–81,459**	**–133,222**

Parent company statement of comprehensive income in summary

Amounts in SEK thousand	2026 Apr–Jun	2025 Apr–Jun	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Profit/loss for the period	–6,039	–71,743	–18,760	–81,459	–133,222
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	**–6,039**	**–71,743**	**–18,760**	**–81,459**	**–133,222**

Parent company balance sheet in summary

Amounts in SEK thousand	06/30/2026	06/30/2025	12/31/2025
ASSETS			
Fixed assets			
Financial fixed assets			
Shares in group companies	350,320	350,320	350,320
Total fixed assets	**350,320**	**350,320**	**350,320**
Current assets			
Other receivables	78,657	4,217	2,019
Cash and cash equivalents	144	16,839	23,186
Total current assets	**78,801**	**21,057**	**25,205**
TOTAL ASSETS	**429,121**	**371,377**	**375,525**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	1,699	1,037	1,699
Share capital not yet registered	1,275	-	-
	2,974	*1,037*	*1,699*
Unrestricted equity			
Share premium fund	921,345	744,314	846,091
Retained earnings including total result for the period	-522,746	-451,913	-503,987
Total Unrestricted equity	*398,598*	*292,402*	*342,105*
Total equity	**401,573**	**293,439**	**343,804**
Short-term liabilities			
Interest bearing debts, loan	22,403	51,746	26,416
Interest bearing debts, loan shareholders	-	18,795	-
Other liabilities	5,145	7,398	5,306
Total liabilities	**27,549**	**77,938**	**31,721**
TOTAL EQUITY AND LIABILITIES	**429,121**	**371,377**	**375,525**

Key financial ratios for the group

	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec	2024 Jan–Dec	2023 Jan–Dec
Net sales, SEK thousand	45,764	23,892	57,462	94,628	5,678
Operating profit/loss, SEK thousand	-5,975	-54,367	-93,398	-75,111	-180,765
Profit/loss for the period, SEK thousand	-10,116	-66,284	-110,010	-83,129	-177,839
Profit/loss attributable to the parent company's shareholders, SEK thousand	-10,116	-66,284	-110,010	-83,129	-177,839
Earnings per share before and after dilution, SEK	-0.12	-1.28	-1.64	-1.60	-3.43
R&D costs, SEK thousand	43,080	65,901	130,786	163,669	151,312
R&D costs as a percentage of operating expenses, %	81	80	84	87	81
Cash and cash equivalents at the end of the period, SEK thousand	34,218	53,644	81,859	66,917	111,309
Cash flows from operating activities, SEK thousand	-42,124	-30,329	-55,220	-65,590	-164,850
Cash flows for the period, SEK thousand	-49,862	-13,273	18,185	-44,394	-141,467
Equity, SEK thousand	97,131	-27,683	30,718	32,635	115,764
Equity attributable to the parent company's shareholders, SEK thousand	97,131	-27,683	30,718	32,635	115,764
Equity per share, SEK	0.65	-0.53	0.36	0.63	2.23
Equity ratio, %	53	neg	22	24	65
Average number of employees	31	31	31	31	31
Average number of employees in R&D	28	27	28	27	26

Of the key financial ratios above, Earnings per share before and after dilution is the only key financial ratio that is mandatory and defined in accordance with IFRS. Of the other key financial ratios, Profit/loss for the period, Cash and cash equivalents at the end of the period, Cash flows from operating activities, Cash flows for the period, and Equity were obtained from a financial statement defined by IFRS. For the derivation of key financial ratios, as well as definitions and justifications for the selected key financial ratios, please refer to the IRLAB Therapeutics AB 2025 Annual Report.

Other information

Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The group applies the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) as adopted by the EU and RFR 1 Supplementary accounting rules for groups when preparing financial reports. The parent company applies the Swedish Annual Accounts Act and RFR 2 Accounting for legal entities when preparing financial reports.

The accounting principles applied are consistent with what is stated in the 2025 annual report with the addition that the value of warrants issued to Fenja in connection with the loan agreement is reported as equity and the corresponding amount is reported as an interest expense without cash flow impact distributed over the term of the loan. The value of the warrants has been determined using the Black & Scholes valuation method.

IFRS 18, which will become effective on 1 January 2027 and was adopted by the EU on 13 February 2026, replaces IAS 1 and introduces new requirements regarding the structure and disclosures in the statement of profit or loss. Although IFRS 18 is not expected to affect the recognition or measurement of items in the financial statements, its impact on presentation and disclosures is expected to be significant, particularly with respect to the statement of profit or loss and management-defined performance measures. IRLAB is currently assessing the exact implications of applying the new standard to the Group's financial statements

Transactions with related parties

IRLAB has during the period January 1 - June 30, 2026 paid salaries and other remuneration to the executive management and board fees to the board, in accordance with the resolution of the Annual General Meeting.

Revenue January - June 2026

Net sales consist of revenue from services related to ongoing studies, invoicing of work performed on behalf of customers and other service revenue. Service revenue consists of a milestone from MSRD of 3 million USD, corresponding to 27,101 thousand SEK, and service revenue of 18,663 thousand SEK related to compensation for work performed on behalf of customers.

Net sales by revenue category	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Service revenue	45,764	23,892	57,462
Total revenue	**45,764**	**23,892**	**57,462**

Segment information

Net sales by geographic market	2026 Jan–Jun	2025 Jan–Jun	2025 Jan–Dec
Danmark	450	-	-
USA	45,314	23,892	57,462
Total revenue	**45,764**	**23,892**	**57,462**

Invoicing was in Swedish kronor (SEK) and American dollars (USD). Revenue is recognized in Swedish krona (SEK). In the tables above, all amounts are in thousand SEK.

Risks and uncertainties

The nature of research and development of pharmaceuticals are associated with high risks, and the effects of these risks on the company's earnings and financial position cannot always be controlled by the company. It is therefore important to take the risks into account when assessing IRLAB's future potential in addition to the opportunities that are inherent in both projects and operations. IRLAB's business model entails high development costs that do not generate potential revenues connected to licensing, sales or partnerships until the majority of the drug development has been completed.

The company's financial risks are described on pages 89-91 and its risk management is described on page 130-131 of the 2025 Annual Report. No significant changes have occurred that affect the reported risks.

The wars in Ukraine and the Middle East, along with the resulting geopolitical instability in nearby regions, may impact both the pace of patient recruitment and the ability of already recruited patients to attend required clinic visits. IRLAB's upcoming study with IRL757 may be conducted in areas geographically close to Ukraine, which entails a potentially increased risk of disruptions. However, in previous studies, only minor impact has been observed, and we are continuously monitoring the situation to take appropriate measures if needed.

The ongoing uncertainty in the United States—marked by economic instability and trade-related tensions—continues to contribute to increased volatility in the global capital markets. For a research-driven company without marketed products, both financing and operations may be affected by the changing investment climate, access to research materials, and regulatory processes. It may also complicate or delay discussions and agreements with potential partners.

Employees

During the quarter, work corresponding to 31 (31) full-time equivalents was performed. This work has been distributed among 32 (32) people.

In addition, the company has a number of consultants in important key functions who work full-time or part-time for IRLAB.

Annual General Meeting

The Annual General Meeting 2026 of IRLAB AB (publ) was held on June 30, 2026 in Gothenburg.

Sustainability

IRLAB's sustainability work is based on the UN Sustainable Development Goals that are essential to the business and where the company may make the greatest difference: gender equality, decent working conditions and economic growth, sustainable industry, innovations and infrastructure, and responsible consumption and production. IRLAB summarizes its sustainability efforts in the following three focus areas: Employees, Responsible dealings, Community involvement.

Events during the period

In January, IRLAB entered into a collaboration agreement with the Danish biotech company Biomia ApS to evaluate Biomia's drug candidates using IRLAB's research platform, the Integrative Screening Process (ISP).

In mid-February, the company announced that it had received scientific advisory board confirmation on the next steps in the development of pirepemat.

In February, the Company announced that it had secured a milestone payment of USD 3 million following the dosing of the first patient in the Phase Ib study, LIFT-PD, of IRL757 in Parkinson's disease.

In March, the Company presented clinical and preclinical data at AD/PD™ 2026–the 20th International Conference on Alzheimer's and Parkinson's Diseases.

In April, the nomination committee proposed the election of Jan Fredrik Backman as new Vice Chairperson and James Gamgort as new Board member at the Annual General Meeting in 2026 and in addition re-election of Chairperson Carola Lemne and Board members Gunnar Olsson, Rein Piir and Veronica Wallin. Christer Nordstedt has declined re-election.

In May, the Board of Directors resolved on a rights issue of approximately SEK 68 million, consisting of Class A shares, with an over-allotment issue of approximately SEK 33.8 million, subject to approval by the extraordinary general meeting. In connection with the share issue, the Company announced that the the term for SEK 18.5 million of the outstanding loan of SEK 23.7 million from Fenja Capital has been extended to 30 November 2027. The remaining SEK 5.2 million is to be repaid in connection with the completion of the rights issue.

In May, the Board of Directors resolved to convene an Extraordinary General Meeting on 5 June 2026 to approve the proposed share issue, resolve on an amendment to the Articles of Association, and elect new members to the Board of Directors.

In May, the company published the communiqué from the Extraordinary General Meeting. All proposed resolutions were approved by the meeting. In accordance with the Nomination Committee's proposal, the meeting elected Jan-Fredrik Backman and James Gamgort as new members of the Board of Directors.

In June, the company announced that it will present an integrated analysis of clinical data for mesdopetam at the international conference StanCon 2026. The analysis confirms robust efficacy results from the Phase II clinical studies.

In June, the company announced the outcome of the rights issue. With a subscription rate of approximately 112.6%, the company raised approximately SEK 68 million before deduction of transaction costs. As the rights issue was oversubscribed, the company received an additional approximately SEK 8.6 million through an over-allotment issue, before deduction of issue-related costs. Consequently, the company raised a total of approximately SEK 76.5 million through the rights issue and the over-allotment issue, before deduction of issue-related costs.

In June, the company published the communiqué from the Annual General Meeting. All proposed resolutions were approved by the meeting. Christer Nordstedt stepped down from the Board of Directors in connection with the AGM. Following the meeting, the Board consists of Carola Lemne (Chairperson), Jan-Fredrik Backman (Vice Chairperson), James Gamgort, Gunnar Olsson, Rein Piir, and Veronica Wallin.

Events after the period

In July, the Company announced that the registered number of shares and votes in IRLAB Therapeutics AB had increased as a result of the rights issue of Class A shares. As of 31 July 2026, the total number of shares in IRLAB amounted to 146,461,921, of which 146,382,145 were Class A ordinary shares and 79,776 were Class B ordinary shares, each carrying one (1) vote.

In August, the Company announced that the World Health Organization (WHO) had assigned the drug candidate IRL757, which is being developed as a potential first-in-class treatment for apathy, the International Nonproprietary Name (INN) linepemat.

Review by the auditors

This report has not been reviewed by the company's auditors.

Board's assurance

The Board of Directors and the CEO assure that the interim report provides a fair overview of the parent company's and the group's operations, position and results and describes significant risks and uncertainties faced by the company and group companies.

Gothenburg, August 26, 2026

CAROLA LEMNE
Chair of the Board

JANNE BACKMAN
Vice Chair of the Board

JAMES GAMGORT
Board member

GUNNAR OLSSON
Board member

REIN PIIR
Board member

VERONICA WALLIN
Board member

KRISTINA TORFGÅRD
Chief Executive Officer

Glossary

API
API stands for Active Pharmaceutical Ingredient, and it refers to the primary ingredient in a medication that provides its therapeutic effect.

CNS disorders
Central Nervous System (CNS) disorders are a broad category of conditions in which the brain does not function as it should, leading to a decline in health and the ability to function.

CRO
Clinical Research Organization (CRO) conducts clinical studies on behalf of biotech companies that may not have the internal capacity, as in larger pharmaceutical companies.

Drug Product
Refers to the medication to be used in clinical trials. The Drug Product contains Active Pharmaceutical Ingredients (API) and additional ingredients to ensure beneficial properties of the entire medication, such as bioavailability, proper shelf life, stability, or formulations with slow release.

End-of-Phase 2 meeting
The purpose of an end-of-Phase 2 meeting is to determine the safety of proceeding to Phase III, to evaluate the Phase III plan and protocols and the adequacy of current studies and plans, and to identify any additional information necessary to support a marketing application for the uses under investigation.

GMP manufacturing
GMP stands for Good Manufacturing Practice, which describes how pharmaceutical companies should manufacture drug substances to ensure that regulatory authorities and patients can always be confident they are receiving the right product of high quality.

ISP
Integrative Screening Process (ISP) is IRLAB's proprietary research platform used to generate drug candidates.

Proof of concept
A critical phase in which one evaluates whether a drug candidate exhibits the desired biological effect in humans, usually through a small clinical study. The goal of Proof of Concept is often to show that the drug candidate has the potential to treat the disease or condition it is targeting, before more extensive and costly clinical trials are initiated.

IRLAB

IRLAB discovers and develops a portfolio of transformative treatments for all stages of Parkinson's disease. The company originates from Nobel Laureate Prof Arvid Carlsson's research group and the discovery of a link between brain neurotransmitter disorders and brain diseases. Mesdopetam (IRL790), under development for treating levodopa-induced dyskinesias, has completed Phase IIb and is in preparation for Phase III. Pirepemat (IRL752), currently in Phase IIb, is being evaluated for its effect on fall frequency in Parkinson's disease. IRL757, a compound being developed for the treatment of apathy in neurodegenerative disorders, is in Phase Ib. In addition, the company is also developing two preclinical programs, IRL942 and IRL1117, towards Phase I studies. IRLAB's pipeline has been generated by the company's proprietary systems biology-based research platform Integrative Screening Process (ISP). Headquartered in Sweden, IRLAB is listed on Nasdaq Stockholm (IRLAB A).

Contact information

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