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The Board of Directors of IRLAB has resolved on an 85 per cent secured rights issue of approximately SEK 136 million and receives extended debt financing of SEK 30 million

The Board of Directors of IRLAB Therapeutics AB ("IRLAB" or the "Company") has today, by virtue of the authorization from the Annual General Meeting on 11 June 2025, resolved on a rights issue of shares of series A of approximately SEK 136 million before deduction of transaction costs (the "Rights Issue"). The subscription price has been determined to SEK 3.50 per share. Those who on the record date 1 July 2025 are registered as shareholders in IRLAB will receive one (1) subscription right for each share held, regardless of share series. Four (4) subscription rights will entitle to subscription for three (3) newly issued shares of series A. The Company has received subscription undertakings from existing shareholders, senior management, and directors, which in total amount to approximately SEK 44 million, corresponding to approximately 33 percent of the Rights Issue. Furthermore, the Company has entered into agreements on guarantee undertakings amounting to a total of approximately SEK 71 million, corresponding to approximately 52 percent of the Rights Issue. Consequently, the Rights Issue is covered by way of subscription undertakings and guarantee undertakings to a total of approximately SEK 116 million, corresponding to approximately 85 percent of the Rights Issue. In addition, the Company announces that the term for SEK 30 million of the existing loan of SEK 55 million from Fenja Capital is extended from 31 December 2025 to 30 October 2026. The remaining SEK 25 million will be repaid either through set-off against shares in the Rights Issue, to the extent its guarantee undertaking for the corresponding amount is utilized, or in cash.

"The strong support for the issue from our major shareholders, new investors, senior management, and directors reflects the confidence in the potential of our broad project portfolio in the area of Parkinson's disease. With a strengthened financial position, we improve our standing in ongoing discussions with potential partners and simultaneously gain the opportunity to prepare the next development phase in two of our highly promising drug projects, aiming to further enhance their commercial attractiveness. This aligns well with our top priority, which is to secure revenue-generating partnership agreements based on our medical innovations," says Kristina Torfgård, CEO of IRLAB.

Summary

- The Board of Directors of IRLAB has today, by virtue of the authorization from the Annual General Meeting on 11 June 2025, resolved on the Rights Issue.
- The net proceeds from the rights issue are intended to be used to finance the expertise required to support the Company's business development, enable continued clinical and preclinical development of its drug candidates and strengthen the capital structure.
- Upon full subscription in the Rights Issue, IRLAB will receive approximately SEK 136 million before deduction of transaction costs. The transaction costs for the Rights Issue are estimated to amount to approximately SEK 16 million, which means that the Company upon full subscription is expected to receive net proceeds of approximately SEK 121 million.
- The subscription price in the Rights Issue is set to SEK 3.50 per share.
- Existing shareholders, including FV Group AB, Fjärde AP-fonden, Unionen, Quiq Holding AB, the Company's senior management, and directors have entered into subscription undertakings which amounts to a total of approximately SEK 44 million in total, corresponding to approximately 33 percent of the Rights Issue.
- Those who on the record date 1 July 2025 are registered in the share register as shareholders in IRLAB have preferential rights to subscribe for new shares of series A in the Rights Issue.
- One (1) existing share in the Company, regardless of share series, entitle the holder to one (1) subscription right. Four (4) subscription rights entitle for subscription of three (3) newly issued shares of series A.
- Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by up to approximately 42.9 percent, but will have the opportunity to compensate themselves financially for the dilution effect by selling their subscription rights.
- The subscription period in the Rights Issue is expected to run from and including 3 July 2025, up to and including 17 July 2025.
- The Company has entered into agreements on guarantee undertakings which amounts to a total of approximately SEK 71 million, corresponding to approximately 52 percent of the Rights Issue.
- In total, approximately 85 percent of the Rights Issue is secured by subscription and guarantee undertakings.
- The full terms and conditions of the Rights Issue will be available in the information document which is expected to be published around 2 July 2025.

- SEK 30 million of the Company's existing loan of SEK 55 million from Fenja Capital is extended from 31 December 2025 to 30 October 2026. The remaining SEK 25 million of the existing loan shall be repaid either through set-off against shares in the Rights Issue, at the request of Fenja Capital, to the extent that Fenja Capital's guarantee undertaking for the corresponding amount is utilized, or in cash.

Background and motive

IRLAB is a Swedish biopharmaceutical company developing new innovative treatments for the various symptoms that arise during the progression of Parkinson's disease, where there is currently a lack of or only limited treatment options available. The Company has a broad portfolio of drug candidates, with several candidates ready for or approaching out-licensing/partnership.

The Company will focus on entering into partnerships in the form of e.g. licenses for drug candidates in the portfolio to realize the commercial value of the projects.

Pirepemat is currently in Phase IIb and is being evaluated for its effect on fall frequency in Parkinson's disease. Based on pirepemat's groundbreaking results in the REACT-PD study, an enhanced development plan is now in place. The candidate has significant potential as there is currently no available treatment for falls in Parkinson's. The Company is preparing a clinical study with pirepemat designed to optimize individual dosing ahead of the Phase III program.

The preclinical drug candidate IRL1117 is unique and has the potential to revolutionize the treatment of the core symptoms of Parkinson's disease. The goal is an orally administered medication that will be taken once a day and will not cause the troublesome complications associated with the current standard treatment with levodopa. The company plans to conduct the regulatory and preparatory studies, such as safety and toxicology studies, required to initiate the first human study (Phase I/Ib) with IRL1117.

The Company has two additional candidates in the clinical phase. Mesdopetam is being developed for the treatment of levodopa-induced dyskinesias. With promising Phase IIb data and positive regulatory interactions with the FDA and EMA, the candidate is Phase III-ready. IRL757, a drug candidate being developed in collaboration with MSD/Otsuka for the treatment of apathy in neurodegenerative diseases. The implementation of a larger Phase Ib study has begun, and patients with Parkinson's and apathy are planned to be recruited for the study during Q4, 2025. This partnership provides the company with full funding for IRL757 up to and including this study, where IRLAB is responsible for conducting the development program. The Company will receive additional milestone payments of approximately 30 million SEK in connection with the Phase Ib study, as well as an additional financing for the implementation of the study.

The Board of Directors decided, ahead of the annual general meeting 2025, to reduce its fees until licensing transactions or other such transactions have been completed and brought SEK 200 million to the Company.

Use of proceeds

The net proceeds from the Rights Issue, upon full subscription, after deduction of transaction costs and shares paid through set-off, amount to approximately SEK 106 million, are intended to be used to the following purposes in order of priority:

- Repayment of loan to Fenja Capital – approximately 24 percent.
- Production of active pharmaceutical ingredient (API) and drug product (DP) to be used in the continued clinical development, as well as compilation of the regulatory documentation required to obtain approval to initiate the next clinical study with pirepemat, approximately 16 percent.
- Production of active pharmaceutical ingredient (API), execution of the preclinical regulatory studies required to achieve regulatory approval to initiate Phase I clinical studies, and production of drug product (DP) for Phase I studies with IRL1117, approximately 16 percent.
- Funding of the expertise required to support the Company's business development, the research and development required to effectively drive the company's drug candidates to the next milestones, and fulfil the Company's commitments in the collaboration with MSRD /Otsuka in the development of IRL757, approximately 44 percent. If fully subscribed, it would provide the Company with a potential financial runway to the fourth quarter 2026.

The Rights Issue

Those who on the record date, 1 July 2025, are registered in the share register as shareholders in IRLAB will receive one (1) subscription right for each share held in the Company, regardless of share series. Four (4) subscription rights entitle the holder to subscription of three (3) newly issued shares of series A. In addition, investors are offered to subscribe for shares of series A without subscription rights. The subscription price is SEK 3,50 per share, which means that IRLAB will receive gross proceeds of approximately SEK 136 million before deduction of transaction costs, provided that the Rights Issue is fully subscribed.

Provided that the Rights Issue is fully subscribed, the number of shares in IRLAB will increase by 38,901,304, from 51,868,406 to 90,769,710, and the share capital will increase by a maximum of SEK 778,026.08, from SEK 1,037,368.12 to SEK 1,815,394.20. Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by up to approximately 42.9 percent through the Rights Issue (calculated on the total number of outstanding shares and votes, respectively, in the Company after completion of the Rights Issue). These shareholders have the opportunity to compensate themselves financially for the dilution effect by selling their received subscription rights.

Subscription undertakings and guarantee undertakings

IRLAB has received subscription undertakings from existing shareholders, including FV Group AB, Fjärde AP-fonden, Unionen, Quiq Holding AB as well as all of the Company's senior management and the directors Carola Lemne, Rein Piir, Veronica Wallin, and Gunnar Olsson amounting to a total of approximately SEK 44 million, corresponding to approximately 33 percent of the Rights Issue. Furthermore, the Company has entered into agreements regarding guarantee undertakings on customary terms. The guarantee undertakings amount to a total of approximately SEK 71 million, corresponding to approximately 52 percent of the Rights Issue. Consequently, the Rights Issue is covered by way of subscription undertakings and guarantee undertakings to a total of approximately SEK 116 million, corresponding to approximately 85 percent of the Rights Issue. Neither the subscription nor the guarantee undertakings are secured by bank guarantees, escrow funds, pledges or similar arrangements.

The guarantee undertakings are subject to an underwriting remuneration, adapted to the prevailing market condition, of ten (10) percent of the guaranteed amount if the underwriter choose to receive the compensation in cash or twelve (12) percent of the guaranteed amount if the underwriter choose to have the compensation made through set-off against shares in the Company. In the event the underwriters choose to receive compensation in the form of shares in the Company, the Board of Directors intends to resolve, by virtue of the authorization from the Annual General Meeting, on a directed issue of shares of series A to the underwriters with payment by set-off. The subscription price in such a directed issue will correspond to the subscription price in the Rights Issue. No remuneration is paid for the subscription undertakings.

The full terms and conditions of the Rights Issue and further information about the parties that have entered into subscription undertakings and guarantee undertakings will be presented in the information document that the Company will publish prior to the commencement of the subscription period.

Appendix IX information document

An information document containing the information according to Annex IX of the prospectus regulation (Regulation (EU) 2017/1129) will be published by the Company prior to the commencement of the subscription period.

Indicative time plan

The following time plan for the Rights Issue is preliminary and subject to change.

Last day of trading in shares of series A including subscription right	27 June 2025
First day of trading in the shares of series A excluding subscription right	30 June 2025

Record date of the Rights Issue	1 July 2025
Estimated day for publication of information document	2 July 2025
Trading in subscription rights	3 July 2025 – 14 July 2025
Subscription period	3 July 2025 – 17 July 2025
Trading in paid subscribed shares (BTA)	3 July 2025 – week 31, 2025
Expected day for announcement of the outcome	21 July 2025

Renegotiated loan terms

In February 2025, IRLAB announced that it had entered into an extension of the loan totalling SEK 55 million raised from Fenja Capital, formerly Formue Nord, in December 2023, meaning that the maturity date was postponed from 22 May 2025 to 31 December 2025. In connection with the extension in February 2025, Fenja Capital had the right to receive warrants entitling to subscribe for approximately 1.6 million shares in the Company at a price of SEK 19.25. IRLAB and Fenja Capital have now agreed to extend the term of SEK 30 million of the existing loan, with the new maturity date for this SEK 30 million set on 30 October 2026, instead of 31 December 2025. The Company shall pay an arrangement fee of SEK 1.5 million and the annual interest rate for the loan shall, as previously, be STIBOR 3M plus ten (10) percentage points, but not less than 13 percent. The remaining SEK 25 million of the existing loan of SEK 55 million shall be repaid either by way of set-off against shares in the Rights Issue, at the request of Fenja Capital, to the extent that Fenja Capital's guarantee undertaking for the corresponding amount is utilized, or in cash after completion of the Rights Issue.

Fenja Capital shall receive warrants entitling to subscribe for shares of series A in IRLAB, corresponding to a dilution effect of three (3) percent in relation to the number of shares in the Company after the completion of the Rights Issue. The warrants shall entitle to subscribe for shares during the period from the registration with the Swedish Companies Registration Office until 30 June 2030 at a subscription price of SEK 4.90 per share, corresponding to 140 percent of the subscription price in the Rights Issue. The previous warrants, which entitled to subscribe for approximately 1.6 million shares in the Company at a price of SEK 19.25 per share, are replaced with the new warrants and will thus be cancelled.

The Company's Board of Directors has considered the renegotiated loan terms with Fenja Capital to be in line with market conditions and that it is in the interests of both the Company and its shareholders to extend the loan.

Advisers

MAQS Advokatbyrå AB is legal advisor and Zonda Partners AB acts as financial advisor to the Company in connection with the Rights Issue.

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This information is information that IRLAB Therapeutics is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-06-24 07:57 CEST.

About 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 balance and fall frequency in Parkinson's disease. IRL757, a compound being developed for the treatment of apathy in neurodegenerative disorders, is in Phase I. In addition, the company is 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). For more information, please visit www.irlab.se.

Important information

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. No prospectus has been or will be prepared in connection with the Rights Issue. The Company will prepare and publish an information document in the form provided for in Annex IX of the Prospectus Regulation prior to the commencement of the subscription period in the Rights Issue. In any EEA Member State, this communication is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of the Prospectus Regulation.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Switzerland, Singapore, South Africa, South Korea, or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

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This press release does not identify, or purport to identify, risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this announcement is for background purposes for the Rights Issue only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Any investment decision to acquire or subscribe for shares in connection with the Rights Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares.

Failure to follow these instructions may result in a breach of the Securities Act or applicable laws in other jurisdictions.

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. 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", "will", "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 and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake 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, unless it is required by law or Nasdaq Stockholm's rule book for issuers.

Attachments

[The Board of Directors of IRLAB has resolved on an 85 per cent secured rights issue of approximately SEK 136 million and receives extended debt financing of SEK 30 million](#)