



IRRAS Presents Business Update and New Financial Targets

Stockholm, Sweden (July 4, 2022) – IRRAS, a commercial-stage medical technology company with a comprehensive portfolio of innovative products for neurocritical care, today announced that its Board of Directors has approved new financial targets for the company. These updated financial projections are:

- **Revenue is expected to exceed SEK 350 million by 2025**

IRRAS reported revenues of SEK 22.4 million in 2021 and has posted revenue growth for 7 consecutive quarters since the 2nd quarter of 2020. The company projects that 2022 revenue will exceed SEK 35 million and will continue to increase in future quarters with revenue in excess of SEK 350 million projected in 2025.

- **Gross margin is expected to exceed 60% by 2025**

IRRAS posted positive gross margins during the first quarter of 2022 due to the impact of in-house manufacturing, revenue growth, and the company's cost containment efforts. IRRAS projects that positive gross margins of 30% or higher will be sustained throughout 2022. Beyond this year, higher sales volumes, additional manufacturing cost reductions, and the extension of the shelf life of the company's disposable products from 12 months to 36 months will enable gross margins to exceed 60% in 2025.

- **Cash flow break-even is expected by 2025**

In order to achieve these updated financial targets, IRRAS management will continue to evaluate the company's commercial strategy and cost position.

Currently, IRRAS employs direct sales representatives in the United States, Germany, and the Nordic region and utilizes a network of distribution partners in other markets. However, moving forward, the company is discussing a commercial partnership agreement with established medical device companies that currently have a larger direct neurosurgery and neurocritical care sales forces in place. Since the beginning of the COVID-19 pandemic, the size of IRRAS' global sales force has remained consistent, and such a commercial partnership could expand market awareness of the company's products while also reducing the required expense to grow its direct sales team. The financial targets listed above reflect IRRAS' projections with its current commercial strategy. Should this current strategy shift to include a commercial partnership, these financial targets will then be adjusted to reflect the impact of the strategy changes.

In addition to exploring possible commercial partnerships, IRRAS management will also continue its efforts to stabilize operating costs, reduce cash burn, and accelerate the path to profitability. Efforts continue to streamline certain functions within the organization, decrease the company's real estate footprint, and assess future headcount requirements.

About IRRAS

IRRAS is a global medical care company focused on delivering innovative medical solutions to improve the lives of critically ill patients. IRRAS designs, develops, and commercializes

neurocritical care products that transform patient outcomes and decrease the overall cost of care by addressing complications associated with current treatment methodologies. IRRAS markets and sells its comprehensive, innovative IRRAS^{flow} and Hummingbird ICP Monitoring product lines to hospitals worldwide through its direct sales organization in the United States and select European countries as well as an international network of distribution partners.

IRRAS maintains its headquarters in Stockholm, Sweden, with corporate offices in Munich, Germany, and San Diego, California, USA. For more information, please visit www.iras.com.

IRRAS is listed on Nasdaq Stockholm (ticker: IRRAS).

For more information, please contact:

Sten Gustafsson
Director, Investor Relations
sten.gustafsson@iras.com
+46 102 11 5172

This document is considered information that IRRAS is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact person above, on July 4, 2022, at 17:35 (CET).