



# IRRAS Publishes Update on Financial Situation

Stockholm, Sweden (24 August 2023) – As previously communicated, IRRAS AB (publ) (the “Company” or “IRRAS”) is in immediate need of funding. Adoption of the Company’s IRRAS*flow* system continues to progress, particularly at hospitals in the United States, and the Company has completed a series of organizational and strategic changes to control its quarterly cash burn. However, such progress has not yet resulted in an improvement in the Company’s short-term financial position. The Company is currently dependent on a short-term loan facility in the amount up to SEK 60 million from Bacara Holdings, its second largest shareholder and a part of the bid consortium, which announced a public cash offer to the shareholders of IRRAS. The loan will fall due on 15 September 2023 at which point there is a high risk of the Company becoming insolvent.

An extensive evaluation of different financing alternatives was initiated at the beginning of 2023, and, to date, this process has not identified any tangible financing options other than the public cash offer. During the ongoing public cash offer process, the Company has continued to explore alternative financing options, which would provide IRRAS needed capital to repay the short-term loan facility, but to date, no alternative financing options have been identified, and there is an imminent risk of the Company defaulting on the short-term loan agreement and becoming insolvent.

Additionally, under the short-term loan facility, the Company has pledged its patents and shares in its United States subsidiary, IRRAS USA Inc., to Bacara Holdings as collateral. The terms of the loan also outline that IRRAS USA Inc. will guarantee all remaining obligations of IRRAS AB in exchange for IRRAS AB entering into a license agreement with IRRAS USA Inc. (which would be collaterally assigned to the lender) that will grant IRRAS USA Inc. an exclusive, royalty-free, fully-paid, irrevocable, perpetual license to all of IRRAS’ intellectual property everywhere in the world other than Sweden, Denmark, Norway, and Finland.

## **For more information, please contact:**

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## **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.irras.com](http://www.irras.com).

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