



# Supplemental statement from the Independent Bid Committee of IRRAS regarding the public offer from IR Holding Bidco

Stockholm, Sweden (24 August 2023) – This statement is made by the Independent Bid Committee (the “**Committee**”) of IRRAS AB (publ) (the “**Company**” or “**IRRAS**”). The Committee consists of the Board Members Anita Tollstadius (chairperson) and Catherine Gilmore-Lawless.

## **The Offer**

On 30 June 2023, Legacy Capital, Spetses, Bacara Holdings, Lexington Holding Assets, Kleanthis G. Xanthopoulos, Panormos, Philippe Audi, and Nicolas Murat (the “**Bid Consortium**”), through IR Holding Bidco Inc. (“**IR Holding**”), announced a public offer to acquire all shares in IRRAS for SEK 0.18 in cash per share (the “**Offer**”).

On 21 August 2023, IR Holding announced that the Offer had been accepted by shareholders holding 20.9 percent of the total number of shares and votes in IRRAS. Members of the Bid Consortium already owned 59.5 percent of the total number of shares and votes in IRRAS prior to the announcement of the Offer. In total, the number of shares tendered in the Offer and the shares already owned by the members of the Bid Consortium equal 80.4 percent of the total number of shares and votes in IRRAS. As set out in IR Holding’s press release announcing the Offer and the offer document regarding the Offer, completion of the Offer is conditional upon, *inter alia*, the Offer being accepted to such extent that IR Holding becomes the owner of more than 90 percent of the shares in IRRAS.

On 21 August 2023, IR Holding also announced an extension of the acceptance period until 1 September 2023 to allow shareholders that have not yet responded to the Offer an opportunity to do so. Further, IR Holding announced that it will not increase the price per share in the Offer.

## **The Independent Bid Committee’s Consideration of the Latest Announcement by IR Holding**

The Committee reiterates that IRRAS is in immediate need of funding. The Company’s current cash on hand results from a short-term loan facility from Bacara Holdings, the Company’s second largest shareholder, which is also part of the Bid Consortium. There is an imminent risk that the Company will default on the short-term loan agreement, which is due on 15 September 2023, and become insolvent, and this risk has increased due to the announced extension of the Offer acceptance period. At the current time, no known alternative financing options are available that would provide IRRAS needed capital to repay the loan facility.

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.

In order to prepare for the possibility that the Offer will not be approved by 90 percent of IRRAS' shareholders by the expiration of the extended acceptance period on 1 September 2023, the Company has continued to seek other potential investors that would be willing to lead an equity financing or secure a rights issue to provide IRRAS sufficient funds to repay its current loan obligation and continue its operations for a sufficient period of time that would allow other long-term financing options to be fully explored.

As a thorough process to identify financing alternatives has been underway since the beginning of this year with no concrete alternatives identified other than the current Offer, the Committee would like to stress that the chances of securing such alternative financing are low for the Company.

Based on these factors, the Committee reiterates its recommendation to the shareholders of IRRAS to accept the Offer.

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This statement by the Independent Bid Committee is governed by and shall be interpreted in accordance with Swedish law. Disputes arising from this statement shall be settled exclusively by a Swedish court.

Stockholm, 24 August 2023

The Independent Bid Committee for IRRAS AB (publ)

For additional 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 *IRRAflow* 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).