IRLAB

Q3.2022

Interim report January – September 2022

Transforming life for people with Parkinson's and other CNS disorders

Interim report January–September 2022

Summary of the third quarter

- IRLAB's Phase IIb study of mesdopetam (IRL790) in patients with Parkinson's levodopa-induced dyskinesias (PD-LIDs) was expanded, as reported in July, to include 154 patients. In September, patient recruitment to the study was completed and top-line data is anticipated around the year-end.
- IRLAB's partner Ipsen initiated clinical pharmacokinetic studies in September which are conducted in parallel with the IRLAB-sponsored Phase IIb study with mesdopetam. The IPSEN-led clinical studies are expected to be completed between Q3 2022 and Q1 2023 and will provide a standard set of data typically required for late-stage drug development and readiness for potential further studies with mesdopetam.
- IRLAB presented at several investor events to provide a business update of the company's progress, e.g. at Pareto Securities, ABG Sundal Collier and ProHearings. Public recordings are available on the website, irlab.se.
- The share issue of 120,000 Class A shares relating to the acquisition of know-how related to the P003 discovery project was registered. After the registration, the total number of registered shares is 51,868,406 (51,748,406).

Significant events after the end of the period

- After the end of the period, no significant events that have affected the group's financial results or position has occurred

Financial highlights in the third quarter

- Net sales recorded: SEK 16.5m (SEK195.6m)
- Total operating expenses: SEK 40.4m (SEK 74.1m)
- The operational result: SEK -23.9m (SEK 121.7 m)
- Cash flow from operations: SEK -27.9m (SEK 202.8m)
- Cash and cash equivalents at the end of the period: SEK 291.7m (SEK 431.2m)
- The total number of registered shares: 51,868,406 (51,748,406)

Figures in brackets = same period 2021, unless otherwise stated

Financial summary

SEK thousand	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021	Jan–Dec 2021
Net sales	16 503	195 641	48 955	195 641	207 782
Operating result	–23 894	121 655	–79 998	75 177	52 576
Profit/loss for the period	–23 957	121 567	–80 241	74 897	51 781
Earnings per share before and after dilution, SEK	–0.46	2,35	–1.55	1.45	1.00
Cash and cash equivalents	291 749	431 168	291 749	431 168	401 897
Cash flow from operating activities	–27 932	202 829	–104 725	157 029	128 641
Equity per share at end of period, SEK	6.25	8.17	6.25	8.17	7.72
Equity ratio at end of period, %	87	85	87	85	85
Average number of employees	31	22	28	21	22
– of which in R&D	27	20	25	18	20
Number of registered shares at end of period	51 868 406	51 748 406	51 868 406	51 748 406	51 748 406
Share price at the end of period, SEK	34.50	46.75	34.50	46.75	44.00

"IRLAB continued with strong clinical progress in the third quarter. The next few months and indeed 2023 promises to be very exciting, as we anticipate top-line data from our mesdopetam study very soon and will also be in position to provide updates on several other significant clinical milestones."

RICHARD GODFREY, CEO

Comments from the CEO

During my first full quarter at IRLAB, we have continued to make strong clinical progress in our lead programs and now look forward to several significant drug development milestones in the short and medium term. Building on our solid foundation, IRLAB's portfolio of clinical, preclinical, and research projects to address the substantial unmet medical needs in Parkinson's is progressing according to plan. Increasingly, this is drawing significant attention from the medical community and pharmaceutical industry. Talking to key opinion leaders, I find many share my belief that IRLAB's portfolio of drug candidates could truly bring meaningful clinical benefit to people living with Parkinson's.

Visibility and interest increasing

An important aspect of our current focus is to increase our presence and visibility within the scientific, medical, pharmaceutical, and investor communities. We have always been active but will increase our presence at both financial and scientific conferences such as Society for Neuroscience in San Diego in November and have also committed to play an active role in the International Conference on Alzheimer's and Parkinson's Disease, AD/PD, in March 2023, which this time takes place in our hometown Gothenburg, Sweden, where organizers are expecting over 4,700 participants. And with recent encouraging media coverage and our elevated presence in the investor communities both in Sweden and internationally, we see an uplift in our profile that will support our business and commercial development strategies.

Major portfolio milestones pending

Focusing on the portfolio, our Phase IIb study with mesdopetam in people living with Parkinson's and levodopa-induced dyskinesias (PD-LIDs) has completed patient recruitment. We now anticipate the last patient in the study to complete their three-month treatment period in mid-December, after which the database will be locked and analyzed. Top-line results are anticipated

around the turn of the year; this will be one of the biggest development milestones of the company to date. Together with our partner Ipsen, who has the exclusive worldwide rights to continue the development and commercialization of mesdopetam, we are very excited to receive the results of the study. Preparations are ongoing across several different workstreams to prepare for potential late-stage development and market readiness.

In conjunction with publication of this interim report, we will hold a broadcasted presentation where we will go through the Phase IIb study in more detail including a review of objectives, endpoints and what we are looking for in the top-line results.

Pirepemat, our second candidate in Phase IIb, is being developed to improve balance and reduce falls for people living with Parkinson's. This is one of the greatest medical needs in Parkinson's. We see that pirepemat has the potential to reduce falls frequency, resulting in fewer fall related injuries, improved patient quality of life, decreased stress for caregivers as well as lower economic burden on payors. The Phase IIb study is now recruiting late-stage Parkinson's patients with mild cognitive impairment and increased falls frequency. The study objective is to evaluate pirepemat's dose dependent efficacy on falls, cognitive function and neuropsychiatric assessments in addition to further building on the safety and tolerability database. This study is currently open at multiple sites in five European countries with patient recruitment actively continuing. At the moment, we anticipate to have the study fully recruited during the fall of 2023 and to report top-line results at the end of 2023.

Portfolio development ongoing

As we progress our research projects into development-stage assets, we are evolving our portfolio and company into a substantial clinical-stage biopharmaceutical business. IRL757 and IRL942 are being developed to address the non-motor function symptoms of Parkinson's, apathy and cognitive impairment, respectively – and potentially wider patient populations in neurology. Both assets show promising preclinical efficacy and safety profiles and are progressing according to plan towards initiating Phase I clinical trials in 2023. Furthermore, our research project P003 aims to develop a completely novel, orally administered once-daily Parkinson's treatment, without the troublesome complications of current standard-of-care or emerging treatments, is making encouraging progress toward CD nomination and the regulated development towards clinical trials.

Strong quarter and bright outlook

This quarter has been very productive for IRLAB, making solid progress in all programs. Acknowledging the challenging global economic and geopolitical situation we believe IRLAB is well placed, and we continue to evaluate options to strengthen our position further. The cash flow for the third quarter of 2022 was SEK –31 million; our balance sheet remains strong with a cash position of SEK 292 million at the end of the quarter.

The next few months and indeed 2023 promises to be very exciting, as we anticipate top-line data from our mesdopetam study very soon and will also be in a position to provide updates on several other significant clinical milestones.

Thank you for your continued support, as we continue to make solid progress to transform the treatment options for people living with Parkinson's, and I look forward to speaking with you regularly as we progress our drug candidates through clinical development.

Richard Godfrey, CEO, IRLAB

Overview and strategic priorities

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 well-defined, strategically focused R&D pipeline of powerful new treatments targeting the various stages of Parkinson's as they worsen over time throughout the patient's journey of neuro-degeneration. Having a full range of effective disease management options for Parkinson's patients is regarded as essential by both the medical and patient communities – and at the same time potentially a blockbuster pharmaceutical business.

Parkinson's is the most common primary neurodegenerative disease after Alzheimer's disease, and the number of affected persons is expected to rise as the world's population is ageing. At present, nearly nine million people have Parkinson's. By 2040, this figure is expected to double.

To meet this challenge, IRLAB has developed a unique, disruptive technology platform called ISP to discover new CNS drug candidates. Leveraging ISP is a major competitive advantage of IRLAB and increases both the pace of drug candidate discovery and probability of success. Based on advanced machine learning techniques, ISP first interrogates our extensive proprietary CNS pharmacology database and that informs our chemists on the optimal molecular design of potential drug candidates with the desired symptom correcting pharmacology or therapeutic effect.

Over the last eight years, the ISP technology platform has gained significant validation, discovering three drug candidates currently in clinical development, from Phase I-III, and two additional drug candidates pending Phase I development next year.

The company's current clinical candidates, mesdopetam (IRL790) and pirepemat (IRL752), both of which have successfully gone through Phase I safety and Phase IIa efficacy proof-of-concept studies, are now in Phase IIb trials. These drug candidates are intended to treat patients with some of the most challenging symptoms associated with Parkinson's – troublesome dyskinesias (PD-LIDs), psychosis (PD-P) and symptoms linked to cognitive decline, such as impaired balance and an increased risk of falls (PD-Falls). In addition, we are developing two preclinical drug candidates to address PD-cognitive impairment (IRL942) and PD-apathy (IRL757), earlier yet still debilitating symptoms of Parkinson's etiology.

Mesdopetam has already been successfully out-licensed to Ipsen, in addition to revenue, we believe this deal also brings further validation of the commercial value of our pipeline. Pirepemat and the preclinical candidates (IRL942 and IRL757) remain wholly-owned unencumbered assets of IRLAB and we retain full strategic autonomy to develop and / or commercialize these assets. It is anticipated that compelling clinical efficacy of these drug candidates for Parkinson's patients will make them attractive targets for the pharmaceutical industry and in turn yield substantial value for shareholders.

Therefore our strategic priorities are to:

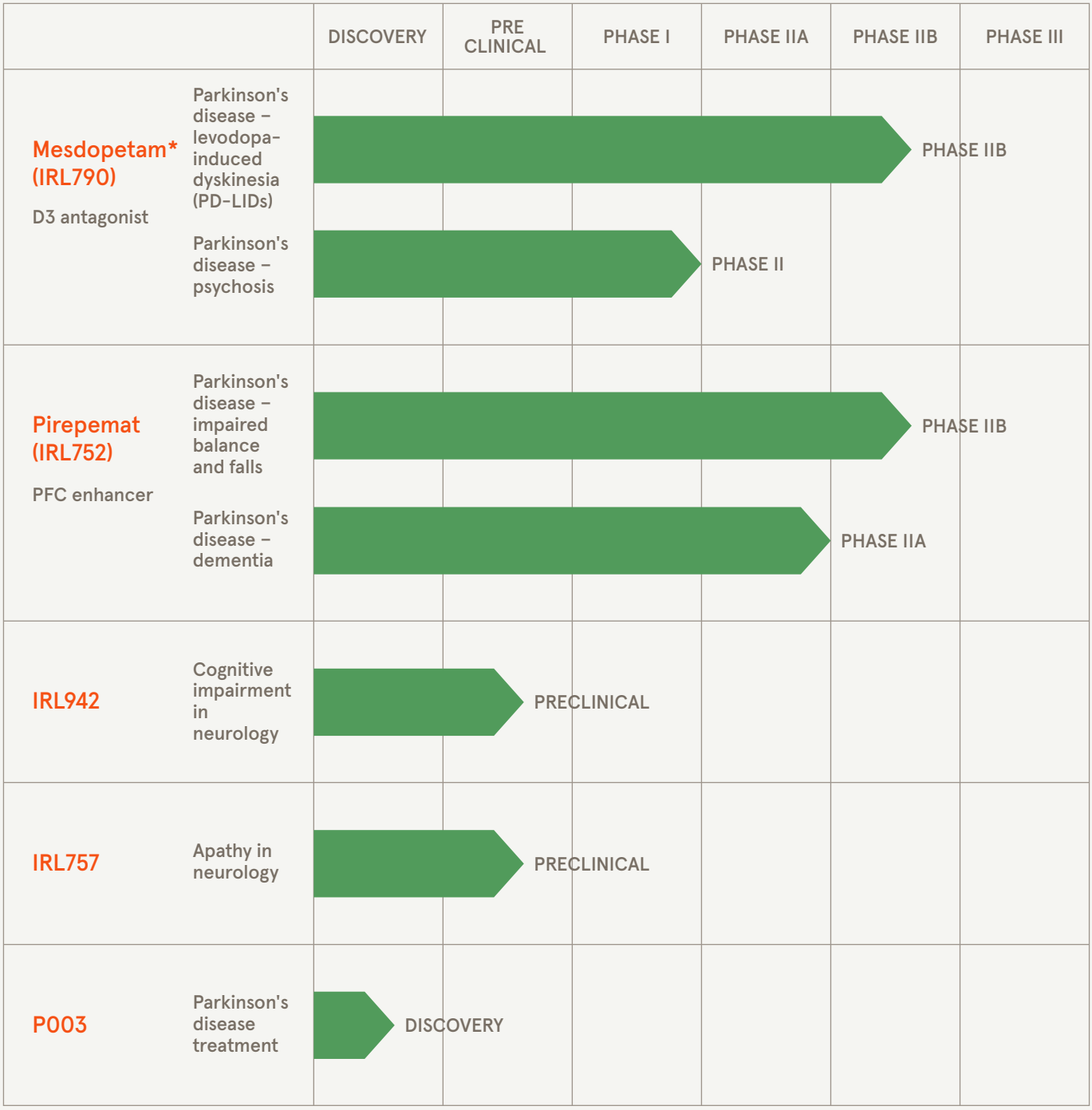
1. Pursue the timely completion of the Phase IIb study of mesdopetam in PD-LIDs and pirepemat in PD-Falls.
2. Progress IRL942 and IRL757 into Phase I clinical studies.
3. Increase the awareness of IRLAB and our pipeline in the wider global pharmaceutical and financial markets.

IRLAB A

IRLAB has been listed on Nasdaq Stockholm's main list Mid Cap since 2020.

IRLAB's portfolio

First-in-class drug candidates to treat symptoms of Parkinson's throughout the patient journey



PFC enhancer = noradrenaline and serotonin antagonists In the prefrontal cortex

*Developed in partnership with Ipsen, which has the global development and commercialization rights.

Snapshot of Q3 updates

Mesdopetam

- In July, it was decided to extend the Phase IIb study in PD-LIDs to reach the full 154 patients specified in the protocol.
- Patient recruitment in the Phase IIb study was completed with the last patient randomized on September 12, indicating that the last patients complete their three-month treatment period in mid-December.
- IRLAB's partner Ipsen initiated clinical pharmacokinetic studies in September, including mass balance studies with radiolabeled mesdopetam. These studies are conducted in parallel with the Phase IIb study and will provide a set of data typically required for late-stage drug development and readiness for potential further studies with mesdopetam.
- Preclinical studies combining advanced electrophysiological and behavioral recordings, aiming to provide a deeper mechanistic understanding of the effects of mesdopetam, on the level of brain activity patterns, mental and motor behavior has been published as abstracts by the Society for Neuroscience in September. Online poster viewing of the results will open on November 9.

Pirepemat

- The ongoing study will be conducted at approximately 40 study sites, all of which are expected to be activited by Q1 2023. Patient recruitment and randomization is expected to continue through the fall of 2023.
- The patent portfolio and protection of pirepemat has been strengthened by obtaining a US patent (US11,078,158) for a process for the manufacturing of pirepemat and its new fumarate salt.

IRL942

- CMC development and formal IND-enabling toxicology and safety studies have been initiated in preparation for submission to start Phase I studies.

IRL757

- CMC development and formal IND-enabling toxicology and safety studies have been initiated in preparation for submission to start Phase I studies.

P003

- A number of lead compounds with the desired profile has been identified using the research platform ISP as well as specialized models of Parkinson's in preclinical studies.
- The lead compounds are orally available, potent and display a long duration antiparkinsonian efficacy without inducing complications (i.e. dyskinesia) during long term treatment, clearly differentiating from levodopa.
- Nomination of the first drug candidate is expected towards year-end 2022 followed by initiation of development towards clinical studies.

R&D update

IRLAB's portfolio consists of drug candidates in clinical and preclinical development phases. It is focused on developing novel treatments for people with Parkinson's and other CNS disorders. All drug candidates have been generated in-house by the company's proprietary technology platform, ISP.

Clinical phase

Mesdopetam

Mesdopetam, a dopamine D3 receptor antagonist, is being developed in partnership with Ipsen as a treatment for Parkinson's disease levodopa-induced dyskinesias (PD-LIDs) aiming to improve patient quality of life. PD-LIDs is a severe form of involuntary movements commonly occurring in people with Parkinson's treated with levodopa.

Mesdopetam has wide clinical potential for unmet medical needs in neurology. The drug candidate is intended to treat people with Parkinson's who develop LIDs, which is more than 30 percent of all people living with Parkinson's. In the eight major markets worldwide, this equates to one million affected individuals. Mesdopetam has also potential as a treatment for Parkinson's disease Psychosis (PD-P), which affects about 1.5 million people across the eight major markets worldwide. Further, mesdopetam has potential to treat other neurological conditions such as tardive dyskinesia, representing an even larger market.

In a 28-day Phase Ib study, mesdopetam was found to be safely administered and tolerable in patients with advanced Parkinson's. In mesdopetam-treated patients, a consistent numeric reduction in dyskinesia assessments scales was observed. In the subsequent 28-day Phase IIa study, mesdopetam reduced the daily time spent with troublesome dyskinesia, thus, extending the daily time with good and controlled mobility in patients with Parkinson's, referred to as increased "good ON"-time.

Thus, the successful Phase Ib and Phase IIa studies demonstrated a good safety and tolerability profile and proof-of-concept with potential for superior efficacy, improving daily hours of ON-time without troublesome dyskinesias, compared to current treatment options.

Ongoing Phase IIb study

The Phase IIb study with mesdopetam is designed as a randomized, double-blind and placebo-controlled study with the aim of evaluating efficacy and optimal dose of mesdopetam for people with advanced Parkinson's affected by PD-LIDs. Secondary study objectives are to further evaluate safety and tolerability in this patient population. The primary outcome measure is change in daily hours of ON-time without troublesome dyskinesia "good-ON" as assessed with 24-hour patient home diaries. The study is designed to randomize 154 patients distributed across four groups, three dose levels of mesdopetam and a placebo group with approximately 40 patients in each group with a treatment period of three months.

The last participating patient was randomized and entered the ongoing Phase IIb study on September 12. Following the three-month treatment period, i.e. mid-December, and once all patients' clinical and pharmacokinetic data has been reported, the database will be locked and the data will be analyzed according to the prespecified statistical data analysis plan. We anticipate that top-line results will be communicated around the turn of the year.

The study is conducted at 46 study sites in Europe, Israel and in the US. More information can be found on clinicaltrials.gov: NCT04435431, and EudraCT number: 2020-002010-41.

Preclinical studies

The pharmacological profile of mesdopetam has been further explored by independent investigators at Umeå University and Lund University, Sweden. These studies, combining advanced electrophysiological and behavioral recordings, aim to provide a deeper mechanistic understanding of the pharmacological effects of mesdopetam, on the level of brain activity patterns, mental and motor behavior. Results from these recently concluded studies will be presented at the Society for Neuroscience conference in San Diego, November 12-16.

The first study "Behavioral and electrophysiological characterization of anti-psychotic treatments in a rodent model of Parkinson's disease psychosis", authored by Loredan Stan et al, describes a new method to characterize brain activity patterns associated with Parkinson's disease psychosis. They show that mesdopetam reverses these high frequency oscillations (HFOs), indicating antipsychotic properties. The second study, "Behavioral and electrophysiological characterization of the antidyskinetic treatments in a rodent model of PD-LID", by A. Ronaghi et al, investigates mesdopetam, and comparator compounds, in a preclinical PD-LID model, showing that mesdopetam suppresses LIDs as well as the associated aberrant electrophysiological oscillations in the brain. Online Society for Neuroscience poster viewing will open on November 9.

Collaboration with Ipsen

In 2021, exclusive global rights to the development and commercialization of the mesdopetam program was licensed to global specialty pharma company Ipsen. IRLAB remains responsible for the ongoing Phase IIb study while Ipsen is responsible for Phase III preparatory activities as well as any further clinical development and worldwide commercialization.

As part of the collaboration, Ipsen initiated clinical pharmacology studies in healthy volunteers including a pharmacokinetic study, a drug-drug interaction study, and a mass balance study with radio-labeled mesdopetam during Q3. These clinical pharmacokinetics studies will provide a standard set of data typically required for late-stage drug development and in readiness for potential further studies with mesdopetam.

Pirepemat

Pirepemat (IRL752) has potential to be the first treatment in a new class of drugs designed to improve balance and reduce falls and fall injuries in people living with Parkinson's disease. Pirepemat is designed to improve balance and reduce falls by strengthening nerve cell signalling in the prefrontal cortex via antagonism at 5HT7 and alpha-2 receptors leading to increased dopamine and noradrenaline levels.

Falls are a significant consequence of Parkinson's that has severe complications, such as fractures, impaired mobility and a reduced quality of life. 45 percent of all people living with Parkinson's fall recurrently, leading to a significantly reduced quality of life also due to fear of falling. There are no available treatments at present, despite the great medical need. The societal burden due to falls is also significant with the cost for hospital treatment of a fall injury in the US is estimated to be USD 30 thousand for people over age of 65.

Following the successful completion of Phase I studies, an exploratory Phase IIa study was completed in 32 patients with advanced Parkinson's including cognitive impairment. Treatment effects were reported indicating improvement in balance and reduced risk of falling, in concert with cognitive and psychiatric benefits.

As reported, and published in the Phase I and Phase IIa study publications (can be found through www.irlab.se), pirepemat was concluded to have an acceptable safety profile and to be well tolerated in the intended patient population i.e. patients with Parkinson's and dementia. Adverse events in this patient population were mainly related to the central nervous system (CNS), gastrointestinal systems and infections. These were of mild to moderate intensity and occurred predominantly during the initial 14-day titration phase. After the 28-day treatment period, a moderate transient increase in liver enzymes was seen in three patients in the pirepemat-treated group. No such effects were

observed during the treatment period and these had all normalized at the study follow-up visit. A similar transient liver signal following the termination of active treatment has been observed in Phase I studies. The interpretation is that this is part of a rebound effect follwing an abrupt termination of treatment with pirepemat.

The pre-clinical results and clinical studies suggest that pirepemat has the potential to strengthen frontal cortical function in the brain and that pirepemat could be developed into a highly valuable, first-in-class, treatment to prevent falls in people living with Parkinson's.

Furthermore, IRLAB has recently strengthened its patent portfolio and protection of pirepemat by obtaining a US patent (US11,078,158) for a process for the manufacturing of pirepemat and its new fumarate salt.

Ongoing Phase IIb study

Based on the preclinical and clinical documentation collected, IRLAB has received scientific advice on the development of pirepemat from regulatory agencies in both Europe and the US. The clinical development plan and regulatory strategy for the pirepemat program and the design of a Phase IIb study was subsequently determined in collaboration with experts and KOLs.

European regulatory agencies advised to study the effect of pirepemat on falls in a sufficiently powered placebo-controlled dose response study. Furhter, the study design includes dose escalation during the first week and a dose de-escalation during the last week of study treatment to reduce appearance of rebound phenomenon.

Regulatory and ethical approvals to conduct the Phase IIb study has since been granted in France, Germany, Poland, Spain and Sweden. IRLAB is evaluating the possibility to include additional countries and sites to support high-paced patient recruitment in the study. The FDA advised to frontload the development plan with studies relating to drug distribution, metabolism and excretion including mass balance studies with radio-labeled pirepemat as well as further in vitro studies to support the pharmacokinetic and safety profile of pirepemat to the documentation before submission of an IND. Such preclinical studies were initiated during the year and are expected to be concluded during Q4 2022.

The FDA further advised to use electronic data capture diaries for falls in this patient population. Before initiation of the Phase IIb trial, a usability test/study to evaluate the usefulness of an electronic data capture diary was conducted in collaboration with an electronic diary vendor and a CRO. The results of the study indicated that the digital data capture diaries were not feasible in the intended patient population. Furthermore, their caregivers could not properly operate the electronic diary proposed for this study. Therefore, in the ongoing Phase IIb study, a traditional paper diary for capture of falls data is used.

The ongoing Phase IIb study with pirepemat is designed as a randomized, double-blind and placebo-controlled study with the aim to evaluate the effect of pirepemat on falls frequency in Parkinson's patients, at two dose levels and over a three-month treatment period. The secondary study objectives include cognitive assessments and further safety and tolerability evaluations. The study is designed to randomize 165 patients distributed across three treatment arms with 55 patients respectively; two treatment arms with different dose levels of pirepemat and one placebo group.

The ongoing study will be conducted at approximately 40 study sites, all of which are expected to be activited by Q1 2023. Patient recruitment and randomization is expected to continue through the fall of 2023. This is followed by the three-month treatment period, follow-up visits, data management and database lock. More detailed guidance on the study timelines will be provided during the course of the trial in 2023. More information can be found on EudraCT number: 2019-002627-16 and clinicaltrials.gov: NCT05258071.

Preclinical phase

IRL942

Drug candidate IRL942 is targeting a once daily oral tablet to treat cognitive deficits in Parkinson's and other neurological disorders with the aim to improve cognitive function. There is about 12 percent of adults aged 65 years or more experiencing cognitive decline, which greatly affect quality of life and it is more common in people living with neurological disorders.

Disruption of frontal cortical neurotransmission is implicated in the pathogenesis of cognitive decline and neuro-psychiatric symptoms in Parkinson's and other neurological disorders. IRL942 display a unique ability to activate frontal cortical neurotransmission, synaptic gene expression, and associated circuits, improving cognitive function in several preclinical models of impaired cognitive function.

Non-clinical development activities related to CMC (development of large scale synthesis and production of drug compound and manufacturing of drug product for regulatory studies), toxicology and safety studies are ongoing, in preparation for regulatory submission to start Phase I studies. Assuming positive results from the preparatory studies and that regulatory approvals are granted, we anticipate Phase I studies initiating in 2023.

IRL757

IRL757 is in preclinical development and aims at a once daily oral tablet to treat apathy in Parkinson's and other neurological disorders. Apathy is a debilitating condition affecting over 10 million people in the US equally many in Europe. The prevalence is high, occurring in 20–70 percent of people with Parkinson's and in 20–90 percent of people with disorders such as Alzheimer's disease and other disorders related to CNS.

Preclinical efficacy by IRL757 has been obtained in several pre-clinical models representing various aspects of cognitive function including potential signals of improved motivation. The efficacy by IRL757 observed, is hypothesized to be associated

with IRL757's unique pharmacology to reverse disruption in cortical to sub-cortical nerve signalling, a proposed mechanism underlying apathy in neurological disorders.

Non-clinical development activities related to CMC, toxicology and safety studies to prepare for regulatory submission to start Phase I studies are currently ongoing. Phase I studies are planned to begin in 2023, assuming positive results from the preparatory studies and that regulatory approvals are obtained.

P003

Levodopa has been the mainstay treatment of Parkinson's since the 1960s and is currently the only medication that provides adequate symptomatic relief of the disease during its progression. Levodopa has, however, significant treatment-related limitations, especially the short duration of action and occurrence of treatment-related complications in the form of excessive involuntary movements (PD-LIDs) and psychosis (PD-P).

The P003 project aims to discover and develop compounds that combine superior efficacy on Parkinson's core motor symptoms (tremor, rigidity, and slowness of movements) but free from the limitations displayed by levodopa (i.e., the short duration of action and PD-LIDs).

In preclinical studies, using research platform ISP as well as specialized models of Parkinson's, we have identified a number of lead compounds with the desired profile. The lead compounds are orally available, potent and display a long duration of efficacy without inducing dyskinesia during long term treatment, clearly differentiating from levodopa.

A drug candidate from this project could, after successful development, come to replace levodopa as the mainstay treatment of the hallmark symptoms of Parkinson's and thus transform the treatment paradigm of Parkinson's. At present, lead optimization is ongoing for the 1st generation molecules and drug candidate identification through structural chemistry.

Nomination of the first drug candidate is anticipated towards year-end 2022 followed by initiation of development work towards clinical studies.

Research technology platform 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 analytical methods. This means that IRLAB obtains unique insights into the overall effect of the studied molecules at an early stage. The platform can at that stage already predict which drug candidates that have the greatest potential to be developed into a promising drug with the lowest risks. ISP provides an improvement in probability of drug discovery success in translation between clinical phases, compared with industry standard. This is also exemplified by higher probability to demonstrate positive clinical proof-of-concept in patients and reach later stages of clinical development for an ISP generated drug candidate compared with the industry standard target based screening methods for candidate drug identification.

This 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 its technology-base and remain at the forefront of modern drug discovery. New perspectives are also added through close cooperation with universities and academic researchers so that IRLAB can keep leading the development of cutting-edge technology.

"In recent months, our entire portfolio has developed well. Our Phase IIb study with mesdopetam is in its last stretch and we are seeing an increase in the number of activated clinics and recruitment rate in our Phase IIb study with pirepemat, according to plan. The two preclinical programs, IRL942 and IRL757, are already undergoing the studies required to obtain permission to start clinical studies and we aim to start Phase I in 2023. In our discovery and research activities, the full focus is on the P003 program. Overall, we are making big and meaningful progress across our whole R&D portfolio."

NICHOLAS WATERS, EVP AND HEAD OF R&D

The group's performance January – September 2022

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 company's most advanced drug candidates are mesdopetam and pirepemat, both of which are intended to treat some of the most difficult symptoms related to Parkinson's.

The company's unique proprietary research platform ISP generates novel, high-potential drug substances that make up the company's pipeline. Generated by ISP, IRLAB's two promising drug candidates in preclinical development, IRL942 and IRL757, are currently in Phase I study preparation.

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.

Research and development work

The research and development work has advanced according to plan. In the period January to September, the total costs for research and development were SEK 109 381 thousand (99 968), corresponding to 85 percent (83) of the group's total operating expenses. Development costs vary over time, depending on where in the development phase the projects are.

Comments on the income statement

The loss for the period January 1 – September 30, 2022 was SEK –80,241 thousand (–74,897). Earnings per share were –1.55 SEK (–1.45). The group's revenue during the period was SEK 49,361 thousand (195,765).

Of the SEK 239.6 million that was received up-front in 2021 under the mesdopetam license agreement, SEK 185.3 million was recognized as license revenue and SEK 54.3 million was recognized as deferred income for the finalization of the ongoing Phase IIb study and will be recognized as income during 2022 in parallell with the study's completion. In the fist three quarters of 2022, SEK 33.718 million was recognized as such income. Revenue for other services provided to Ipsen during the first three quarters was SEK 13.971 million.

In the first three quarters 2022, the group's operating expenses were SEK 129,359 thousand (120,588). The increase compared with the previous year was primarily due to increased clinical research activities and an increased organization.

Financing and cash flow

Cash flow from operating activites were SEK –104,725 thousand (–157,029) during the first nine months 2022 and SEK –27,932 thousand (–202,829) in the third quarter 2022. Cash and cash equivalents were SEK 291,749 thousand (431,168) on September 30, 2022.

On September 30, 2022, equity was SEK 323,977 thousand (422,598) and the equity ratio was 88 percent (85).

The Board of Directors and CEO determines that there are sufficient cash and cash equivalents to cover working capital needs over the next twelve months, given the current business activities and financing plan.

Investments

Investments in intangible assets for the period January 1 – September 30, 2022 were SEK 5,257 thousand (0), 4,757 of which were paid through a share issue in kind. Investments in tangible assets during the period were SEK 2,662 thousand (561) and related mainly to tools and machinery in the laboratories.

Significant events January–June 2022

In March, new drug candidate IRL757 was nominated for the treatment of apathy in neurological diseases.

In April, know-how was acquired to support a strong patent application for chemical matter claims related to the P003 research project. The P003 project aims to offer a once-daily Parkinson's treatment without any complications.

In June, it was announced that the management team was strengthened by appointing Richard Godfrey as new CEO and Nicholas Waters as Executive Vice President and Head of Research & Development, effective July 1, 2022.

Significant events July–September 2022

In July, it was reported that the Phase IIb PD-LIDs study with mesdopetam was expanded to include 154 patients, top-line data is anticipated around the year-end.

The share issue of 120,000 Class A shares relating to the acquisition of know-how related to the P003 discovery project was registered. After the registration in July, the total number of registered shares is 51,868,406 (51,748,406).

In September, it was reported that IRLAB's partner Ipsen initiates clinical studies in line with mesdopetam's development plan and that the recruitment in the ongoing Phase IIb study with mesdopetam has been concluded.

Significant events after the end of the period

After the end of the period, no significant events that have affected the group's financial results or position has occurred.

Consolidated income statement in summary

Amounts in SEK thousand	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Operating income					
Net revenue	16 503	195 641	48 955	195 641	207 782
Other operating income	0	124	5	124	124
Total income	*16 503*	*195 765*	*48 960*	*195 765*	*207 906*
Operating expenses					
Other external costs	–28 801	–26 046	–95 475	–57 348	–81 737
Personnel costs	–10 395	–7 918	–29 813	–24 424	–31 024
Outlicensed capitalized developent projects	0	-39 091	0	-39 091	-39 091
Depreciation of intangible and tangible fixed assets	–1 012	–926	–2 914	–2 477	–3 474
Other operating cost	–219	–120	–785	–248	–4
Total operating expenses	*–40 427*	*–74 100*	*–128 987*	*–120 588*	*–155 330*
Operating result	**–23 894**	**–121 665**	**–80 027**	**–75 177**	**52 576**
Result from financial items					
Financial income	0	0	0	0	1
Financial costs	–33	–98	–214	–280	–796
Total financial items	*–33*	*–98*	*–214*	*–280*	*–795*
Result after financial items	**–23 957**	**–121 567**	**–80 241**	**74 897**	**51 781**
Tax on income	0	0	0	0	0
Result for the period	**–23 957**	**–121 567**	**–80 241**	**74 897**	**51 781**
Earnings per share before and after dilution (SEK)	–0.46	2.35	–1.55	1.45	1.00
Average number of shares, before and after dilution	51 868 406	51 748 406	51 780 494	51 748 406	51 748 406

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	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Result for the period	–23 957	121 567	–80 241	–74 897	51 781
Other comprehensive income	0	0	0	0	0
Total result for the period	**–23 957**	**121 567**	**–80 241**	**–74 897**	**51 781**

Consolidated statement of financial position in summary

Amounts in SEK thousand	09/30/2022	09/30/2021	12/31/2021
ASSETS			
Fixed assets			
Intangible fixed assets	47 723	42 726	42 661
Tangible fixed assets	8 290	9 133	8 348
Total fixed assets	**56 013**	**51 859**	**51 009**
Current assets			
Short-term receivables	21 010	15 365	19 542
Cash and cash equivalents	291 749	431 168	401 897
Total current assets	**312 759**	**446 534**	**421 440**
TOTAL ASSETS	**368 772**	**498 392**	**472 449**
EQUITY AND LIABILITIES			
Equity			
Share capital	1 037	1 035	1 035
Other contributed capital	690 204	685 450	685 450
Retained earnings incl. results for the period	–367 245	–263 888	–287 004
Total equity	**323 996**	**422 597**	**399 481**
Long-term liabilities			
Leasing debt	1 191	4 339	3 566
Total long-term liabilities	**1 191**	**4 339**	**3 566**
Short-term liabilities			
Leasing debt	3 148	2 998	3 034
Other liabilities	40 437	68 458	66 367
Total short-term liabilities	**43 584**	**71 456**	**69 402**
TOTAL EQUITY AND LIABILITIES	**368 772**	**498 392**	**472 449**

Consolidated statement of changes in equity in summary

Amounts in SEK thousand	Share capital	Other capital contributed equity	Retained earnings incl. total result for the period	Total equity
Equity January 1, 2021	**970**	**685 630**	**-338 786**	**347 880**
Total result for the period			74 897	74 897
Transactions with owners in their capacity as owners:				
Rights issue	65	0		65
Issue costs		-180		-180
Equity September 30, 2021	**1 035**	**685 450**	**-263 888**	**422 597**
Total result for the period			-23 116	-23 116
Equity December 31, 2021	**1 035**	**685 450**	**-287 004**	**399 481**
Equity January 1, 2022	**1 035**	**685 450**	**-287 004**	**399 481**
Total result for the period			-80 241	-80 241
Transactions with owners in their capacity as owners:				
Rights issue	2	4 754		4 757
Equity September 30, 2022	**1 037**	**690 204**	**-367 245**	**323 997**

Consolidated statement of cash flows in summary

Amounts in SEK thousand	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Operating activities					
Operating result	–23 894	121 665	–79 998	75 177	52 576
Adjustment for items not included in the cash flow	1 012	40 017	2 914	41 568	42 564
Paid interest	–61	–98	–243	–280	–796
Cash flow from operating activities before changes in working capital	**–22 944**	**161 584**	**–77 327**	**116 465**	**94 345**
Cash flow from changes in working capital					
Change in operating receivables	2 281	-9 368	-1 468	-8 634	-12 811
Change in operating liabilities	-7 269	50 613	–25 930	49 198	47 107
Cash flow from operating activities	**–27 932**	**202 829**	**–104 725**	**157 029**	**128 641**
Investment activities					
Acquisition of intangible fixed assets	–500	0	-500	0	0
Acquisition of tangible fixed assets	–1 671	–137	–2 662	–561	–708
Cash flow from investment activities	**–2 171**	**–137**	**–3 162**	**–561**	**–708**
Financing activities					
Amortization of financial liabilities, leasing debt	–763	–727	–2 262	–2 129	–2 865
Issue of new shares	0	-180	0	-180	-180
Cash flow from financing activities	**–763**	**–907**	**–2 262**	**–2 309**	**–3 045**
Cash flow for the period	**–30 866**	**201 785**	**–110 148**	**–154 160**	**124 888**
Cash and cash equivalents at the start of the period	322 615	229 383	401 897	277 009	277 009
Cash and cash equivalents at the end of the period	**291 749**	**431 168**	**291 749**	**431 168**	**401 897**

Parent company income statement in summary

Amounts in SEK thousand	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Operating income					
Net revenue	1 205	995	2 976	2 788	4 059
Total income	*1 205*	*995*	*2 976*	*2 788*	*4 059*
Operating expenses					
Other external costs	–2 509	–9 994	–8 784	–14 656	–16 805
Personnel costs	–4 126	–2 120	–9 942	–5 570	–8 705
Total operating expenses	*–6 635*	*–12 114*	*–18 726*	*–20 226*	*–25 510*
Operating result	***–5 429***	***–11 119***	***–15 750***	***–17 439***	***–21 451***
Result from financial items					
Interest costs	0	0	0	-1	–3
Total financial items	*0*	*0*	*0*	*–1*	*–3*
Result after financial items	***–5 429***	***–11 119***	***–15 750***	***–17 440***	***–21 454***
Tax on the period's result	0	0	0	0	0
Result for the perioden	**–5 429**	**–11 119**	**–15 750**	**–17 440**	**–21 454**

Parent company statement of comprehensive income in summary

Amounts in SEK thousand	2022 Jul–Sep	2021 Jul–Sep	2022 Jan–Sep	2021 Jan–Sep	2021 Jan–Dec
Profit/loss for the period	–5 429	–11 119	–15 750	–17 440	–21 454
Other comprehensive income	0	0	0	0	0
Comprehensive income for the period	***–5 429***	***–11 119***	***–15 750***	***–17 440***	***–21 454***

Parent company balance sheet in summary

Amounts in SEK thousand	09/30/2022	09/30/2021	12/31/2021
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	8 649	3 605	1 755
Cash and cash equivalents	96 622	114 900	112 970
Total current assets	**105 271**	**118 504**	**114 725**
TOTAL ASSETS	**455 591**	**468 825**	**465 045**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	1 037	1 035	1 035
	1 037	*1 035*	*1 035*
Unrestricted equity			
Share premium fund	744 314	739 560	739 560
Retained earnings including total result for the period	–296 095	–276 330	–280 345
Total Unrestricted equity	*449 257*	*463 230*	*459 215*
Total equity	**449 257**	**464 265**	**460 250**
Short-term liabilities			
Other liabilities	6 335	4 560	4 795
Total liabilities	**6 335**	**4 560**	**4 795**
TOTAL EQUITY AND LIABILITIES	**455 591**	**468 825**	**465 045**

Key financial ratios for the group

	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec
Net sales	48 955	195 641	207 782	0	26
Operating result, TSEK	-79 998	75 177	52 576	-91 458	-95 848
Result for the period, TSEK	-80 241	74 897	51 781	-91 653	-96 120
Earnings per share before and after dilution, SEK	-1,55	1.45	1,00	-1.92	-2.37
R&D costs, TSEK	109 381	99 968	129 748	75 989	79 381
R&D costs as a percentage of operating costs, %	85	83	84	83	82
Cash and cash equivalents at the end of the period, TSEK	291 749	431 168	401 897	277 009	110 527
Cash flow from operating activities, TSEK	-104 725	157 029	128 641	-89 214	-91 201
Cash flow for the period, TSEK	-110 148	154 160	124 888	166 482	-23 915
Equity, TSEK	353 997	422 597	399 481	347 880	181 827
Equity per share, SEK	6,25	8,17	7,72	6.72	4.22
Equity ratio, %	88	85	85	94	87
Average number of employees	28	21	22	18	17
Average number of employees in R&D	25	18	20	17	16

Of the above key financial ratios, only the key ratio Earnings per share before and after dilution, and R&D costs, are defined in accordance with IFRS. Of the other key financial ratios, Result for the period, Liquid assets at the end of the period, Cash flow from operating activities, Cash flow for the period, and Equity are drawn from 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 IRLAB Therapeutics AB (publ) annual report 2021.

Other information

Accounting principles

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.

As of January 1, 2019, shareholder contributions made to subsidiaries that are intended to cover the subsidiaries' costs for research are expensed in the parent company. The cost is reported in the income statement under Profit/loss from participations in group companies. Accordingly, the accounting in the parent company reflects the accounting in the group, where all costs for research are charged to profit or loss. The opening balance remains unchanged as the company found that there had been no impairment. The accounting principles applied correspond to those applied in the 2021 Annual Report.

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The IRLAB share

IRLAB's Class A share has been listed on Nasdaq Stockholm's main list since September 30, 2020. From February 28, 2017 to September 30, 2020, the company's Class A shares were listed on Nasdaq First North Premier Growth Market.

Share capital, number of shares and votes

At the end of the period, IRLAB's registered share capital was SEK 1,037,368 divided into 51,868,406 shares with a quota value of SEK 0.02. There were 51,788,630 Class A shares and 79,776 Class B shares. All shares, including shares in Class B, gives the holder one vote.

Incentive programs

In April 2016, it was decided to introduce a share and warrant program for key personnel, both employees and board members. A total of 39,355 warrants (196,775 after the split) were subscribed for in the program at a subscription price that corresponded to the market value.

Each warrant confers an entitlement on the holder to subscribe for one Class A ordinary share at a subscription price of SEK 82.70 after the split. The warrants may be exercised up to and including June 30, 2023. When the warrants are fully exercised, the share capital will increase by SEK 3,935.50 through the issue of 196,775 Class A ordinary shares.

Financial instruments

The group currently has no financial instruments that are valued at fair value, rather all financial assets and liabilities are valued at accrued acquisition value. It is judged that there are no significant differences between fair value and book value regarding the financial assets and liabilities. On the closing date, the carrying amount of financial assets was SEK 291,464 thousand (436,284).

Transactions with related parties

With the exception of salaries and other remuneration to the executive management and board fees, in accordance with the resolution of the Annual General Meeting, no transactions with related parties have taken place.

Revenue in the third quarter 2022

Net sales consist of revenue from the licensing of drug development projects or candidate drugs and revenue from services related to ongoing studies, invoicing of work performed on behalf of customers and other service revenue. At present, the primary revenue is related to the licensing agreement with specialty pharma Ipsen for the global exclusive development and commercialization rights to drug candidate mesdopetam.

Net sales by revenue category	2022 Jan–Sep	2021 Jan–Sep	2021 Jan–Dec
Licensing revenue	33 718	185 261	185 261
Service revenue	15 237	10 380	22 521
Total revenue	**48 955**	**195 641**	**207 782**

Segment information

Net sales by geographic market	2022 Jan–Sep	2021 Jan–Sep	2021 Jan–Dec
Sweden	0	0	0
United Kingdom	48 955	195 641	207 782
Total revenue	**48 955**	**195 641**	**207 782**

All invoicing was in EUR. Revenue is recognized in 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 77–78 and its risk management is described on page 110 of the 2021 Annual Report. No significant changes have occurred that affect the reported risks.

To date, the global Covid-19 pandemic has not had any significant direct effects on IRLAB's operational activities, results or financial position. Effects in the medium to long term cannot yet be assessed, but the company is monitoring and evaluating the situation. There are, however, indications that healthcare providers in certain countries and regions are under pressure, which affects certain hospitals' ability to participate in clinical trials. Additionally, interactions have shown that regulatory authorities currently have longer processing times. Combined, this may affect IRLAB's clinical programs if the Covid-19 outbreak continues to put a strain on global healthcare resources and if restrictions on individuals' freedom of movement are extended beyond what is known today. We are therefore monitoring the situation closely and evaluating measures to minimize the effects on our projects and schedules.

The war in Ukraine, the subsequent geopolitical instability in Eastern Europe in particular, and its effect on people in the affected areas may impact the speed of patient recruitment and the pos-sibility for already recruited patients to get to the clinics for the requisite visits. IRLAB's Phase IIb/III study with mesdopetam and the Phase IIb study with pirepemat are both partially carried in clinics in Poland, a country that may be more affected than other countries due to its geographical proximity to Ukraine. So far, IRLAB has only noticed a minor impact on the ongoing studies. The company is continuously monitoring the developments so that appropriate measures can be taken if necessary.

Nomination Committee

Prior to the 2022 Annual General Meeting and until a new nomination committee is elected, and pursuant to the instructions applicable to IRLAB's Nomination Committee, the Nomination Committee comprised Daniel Johnsson (chair of the Nomination Committee), Bo Rydlinger, Clas Sonesson and Gunnar Olsson, the Chair of the Board. They represent 46 percent of the votes and capital in IRLAB as at August 31, 2022.

Employees

The average number of employees in the group from April – June was 31 (28). At the end of the period, the number of full-time positions was 31 (28), distributed over 33 (31) people.

The number of full-time positions, including long-term contracted consultants, was 33 (32) at the end of the period, distributed over 37 (36) people.

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.

Financial calendar

Interim report Q3 2022 – November 9, 2022.
Year-end report 2022 – February 23, 2023.
Annual report 2022 - Week of May 1-5.
Interim report Q1 2023 – May 10, 2023.
Interim report Q2 2023 – August 30, 2023.
Interim report Q3 2023 – October 25, 2023.
Year-end report 2023 – February 7, 2024.

Glossary

Dyskinesias	Condition where the body or a part of the body performs uncontrolled involuntary movements. Dyskinesia occurs in neurodegenerative and psychiatric diseases, brain diseases where the nervous system is either exposed to a slowly decreasing nerve cell activity, such as Parkinson's disease, or diseases where the nerve cell activity in particular parts of the brain has become unbalanced, such as psychosis or depression.
Good ON-time	The part of the day when the patient does not have troublesome symptoms of Parkinson's disease.
ISP	Integrative Screening Process, IRLAB's proprietary research platform used to generate drug candidates.
PD-LIDs	Parkinson's Disease levodopa-induced dyskinesias, involuntary movements (dyskinesias) caused by long-term medication with levodopa.
PD-P	Parkinson's Disease Psychosis, psychic symptoms such as delusions and/or hallucinations caused by Parkinson's disease.
PD-Falls	Parkinson's Disease Falls, falls due to postural dysfunction (balance impairment) and impaired cognition in Parkinson's disease.
Preclinical Proof of Concept	Is achieved when a drug candidate has shown safety, tolerability and efficacy in preclinical model systems and when the effect shown can be connected to a medical need. At IRLAB, the preclinical development starts when these requirements are fulfilled.
Clinical Proof of Concept	Prove the effectiveness of a concept. At IRLAB, this means when a drug candidate has achieved clinical proof of concept after a successful Phase II program.
CNS disorders	Central nervous system (CNS) disease is a broad category of conditions in which the brain does not function as it should, limiting health and the ability to function.

Presentation to investors and media

A presentation will be held on November 9, 2022, at 10:00 CET at the Infront Direkt Studio, Kungsgatan 33, in Stockholm. CEO Richard Godfrey, EVP and Head of R&D Nicholas Waters and CFO Viktor Siewertz will comment the interim report for the period January-September 2022. The presentation will be held in English and followed by a Q&A session.

To attend in-person, please register via email to ir@irlab.se.

It is also possible to follow the presentation online on:
https://youtu.be/3gMDBBbrTW4

Review and the Board's assurance

This interim report has been reviewed by the company's auditors.

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, November 9, 2022

GUNNAR OLSSON
Chair of the Board

CAROLA LEMNE
Vice Chair

REIN PIIR
Board member

AN VAN ES-JOHANSSON
Board member

CATHARINA GUSTAFSSON WALLICH
Board member

RICHARD GODFREY
CEO

Auditor's report

IRLAB Therapeutics AB (publ.) reg. no. 556931-4692

Introduction

We have reviewed the condensed interim financial information (interim report) of IRLAB Therapeutics AB (publ.) as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Gothenburg, November 9, 2022

Öhrlings PricewaterhouseCoopers AB

JOHAN RIPPE
Authorized Public Accountant
Auditor in charge

SOPHIE DAMBORG
Authorized Public Accountant

IRLAB

IRLAB discovers and develops novel drugs for the treatment of Parkinson's disease and other disorders of the brain. The company's most advanced drug candidates, mesdopetam (IRL790) and pirepemat (IRL752), both of which are currently subject to Phase IIb studies, were designed to treat some of the most difficult symptoms associated with Parkinson's disease. In 2021, IRLAB entered into an exclusive global license agreement with Ipsen regarding the development and commercialization of mesdopetam.

Through its proprietary research platform, ISP (Integrative Screening Process), IRLAB has discovered and developed all its projects and keeps discovering innovative drug candidates for the treatment of disorders of the central nervous system (CNS). In addition to IRLAB's strong clinical development portfolio, IRLAB runs several preclinical programs, with IRL942 and IRL757 in development for Phase I studies.

Contact information

FOR FURTHER INFORMATION, PLEASE CONTACT

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