February 26, 2018

InDex Pharmaceuticals Holding AB (publ) year end report 2017

Deepened understanding of cobitolimod's mechanism of action

Period October – December 2017
- Revenues amounted to SEK 0.0 (0.3) million
- Operating result amounted to SEK –22.6 (–16.4) million
- Result after tax amounted to SEK –22.4 (–16.3) million,corresponding to SEK –0.36 per share (–0.27) before and after dilution
- Cash flow from operating activities amounted to SEK –14.1 (–8.3) million

Period January – December 2017
- Revenues amounted to SEK 0.1 (0.4) million
- Operating result amounted to SEK –73.3 (–39.5) million
- Result after tax amounted to SEK –72.8 (–41.3) million, corresponding to SEK –1.16 per share (–1.08) before and after dilution
- Cash flow from operating activities amounted to SEK –68.2 (–31.9) million
- Cash and cash equivalents at the end of the period amounted to SEK 125.1 (193.2) million
- Number of employees at the end of the period was 7 (7)
- Number of shares at the end of the period was 62 528 433

All comparative amounts in brackets refer to the outcome of InDex overall activities during the corresponding period 2016.

Significant events during October – December 2017
- A new patent for cobitolimod has been issued in the US
- InDex participated with a poster presentation at the United European Gastroenterology Week (UEGW)
- New scientific data on the mechanism of action of obitolimod was reported

Significant events after the reporting period
- Mechanism of action data for cobitolimod was presented at the European Crohn's and Colitis Organisation (ECCO) congress

"The patient recruitment in the CONDUCT study is developing as expected and our objective to report top line results from the study in the fourth quarter of 2018 remains," said Peter Zerhouni, CEO of InDex Pharmaceuticals.

CEO statement
The patient recruitment in the CONDUCT study is developing as expected and our objective to report top line results from the study in the fourth quarter of 2018 remains. With the bulk of the clinics activated, we are now launching planned recruitment campaigns on the internet and social media in several countries to increase access to patients during spring. We recently received regulatory approval in Italy and we are now only waiting for Romania before we can open the last planned clinics.

InDex employees continue to visit the clinics at a high rate, together with local staff from the contract research organization, to keep the commitment to the study at a continuously high level. In mid-February, we also held an investigators' meeting in Vienna for those of the CONDUCT investigators that attended the ECCO congress.

In December we reported new exciting data on cobitolimod's immunological mechanism of action. These results were then presented during the scientific program of the ECCO congress to an estimated audience of 4,000 and the findings were also selected amongst the top 10 most interesting abstracts during this years' congress. It is very positive that cobitolimod gets such exposure to stimulate the CONDUCT clinics to recruit

patients. In addition, this raises the profile of cobitolimod among potential partners and key opinion leaders within the therapeutic field with whom the major pharmaceutical companies consult for their transactions.

In early February, another major transaction within inflammatory bowel disease was announced when Johnson & Johnson licensed a Phase I drug candidate from Theravance Biopharma. In addition to an upfront payment of USD 100 million, Johnson & Johnson will pay another USD 200 million after Phase II and then up to USD 700 million in various milestone payments, as well as royalty on future sales to Theravance Biopharma. The deal shows that the demand from the industry and the willingness to pay for promising projects within InDex's therapeutic area are still very high.

Apart from the clinical development of cobitolimod in ulcerative colitis, InDex is testing a couple of selected DIMS candidates in models of other inflammatory diseases to broaden the portfolio. In the spring of 2016, InDex received a grant of SEK 1.8 million from the innovation agency Vinnova for this development. The work to optimize the model systems continues and the grant has been extended to the end of 2018. Based on the lessons learned from the previous tests, a new round of experiments has now been initiated.

On March 7, I will present InDex at the Stockholm Corporate Finance Life Science Seminar. I hope to meet many of our shareholders there, but the presentation is webcasted for those who cannot attend in person.

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InDex Pharmaceuticals in brief
InDex is a pharmaceutical development company focusing on immunological diseases where there is a high unmet medical need for new treatment options. The company's foremost asset is the drug candidate cobitolimod, which is in late stage clinical development for the treatment of moderate to severe active ulcerative colitis - a debilitating, chronic inflammation of the large intestine. InDex has also developed a platform of patent protected discovery stage substances, so called DNA based ImmunoModulatory Sequences (DIMS), with the potential to be used in treatment of various immunological diseases.

InDex is based in Stockholm, Sweden. The company's shares are traded on Nasdaq First North Stockholm. Redeye AB is the company's Certified Adviser. For more information, please visit www.indexpharma.com.