

InDex Pharmaceuticals has completed a directed share issue of approximately SEK 140 million (USD 14 million)

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September 19, 2019 - The Board of Directors of InDex Pharmaceuticals Holding AB ("InDex" or the "Company") (Nasdaq First North Growth Market: INDEX) has, as communicated in the Company's press release earlier today, resolved to issue a maximum of 20,000,000 shares (the "New Shares"), where a maximum of 13,756,255 shares are issued based on the authorization granted by InDex's annual general meeting on 6 May 2019 and a maximum of 6,243,745 shares are issued subject to the subsequent approval of the extraordinary general meeting (together "Directed Share Issue"). The subscription price in the Directed Share Issue is SEK 6.98 per share and corresponds to the closing price on Nasdaq First North Growth Market on 19 September 2019. The subscription price in the Directed Share Issue has been determined through an accelerated book building procedure (the "Book building"). Through the Directed Share Issue, InDex will receive proceeds amounting to approximately SEK 140 million before transaction related costs. Investors in the Directed Share Issue are a wide range of Swedish and international investors including reputable new investors such as the Fourth Swedish National Pension Fund as well as current shareholders such as Stiftelsen Industrifonden and Bengt Julander (through Linc AB).

The net proceeds of the Directed Share Issue are intended to be used to advance the Company's lead drug candidate, cobitolimod, towards phase III, including (i) study drug manufacturing, (ii) additional non-clinical studies, (iii) CRO initiation and study feasibility, as well as for general corporate purposes and financial flexibility.

The reasons for the deviation from the shareholders' preferential rights are to raise capital for planned preparations towards a phase III clinical program in a timely and cost-effective manner and to diversify the shareholder base. The Board of Directors' assessment is that the subscription price in the Directed Share Issue is in accordance with market conditions, since it has been determined through an accelerated book building procedure.

The part of the Directed Share Issue which is resolved based on the authorization granted by the annual general meeting amounts to 13,756,255 shares and the part requiring the extraordinary general meeting's subsequent approval amounts to 6,243,745 shares. The reason that the Directed Share Issue is carried out both based on an authorization and subject to a subsequent approval of the extraordinary general meeting is that the Board of Directors' current authorization as of this date amounts to a maximum of 13,756,255 shares.

The Directed Share Issue will entail a dilution of approximately 22.5 percent of the number of outstanding shares and votes in the Company. Through the Directed Share Issue, the number of outstanding shares and votes will increase by 20,000,000 from 68,781,275 to 88,781,275. The share capital will increase by SEK 400,000 from SEK 1,375,625.5 to SEK 1,775,625.5.

In connection with the Directed Share Issue, the Company has undertaken, subject to customary exceptions, not to issue additional shares for a period of 180 calendar days after the settlement date. In addition, members of the Board of Directors of InDex and management of InDex, who own shares

or warrants, have agreed not to sell any shares in the Company for a period of 90 calendar days after the settlement date, subject to customary exceptions. Furthermore, SEB Venture Capital, Stiftelsen Industrifonden and Bengt Julander (through Linc AB) have agreed not to sell any shares in the Company for a period of 90 calendar days after the settlement date subject to customary exceptions, excluding commitments under issued call options.

Shareholders including the Company's principal owners, SEB Venture Capital, Stiftelsen Industrifonden, and Bengt Julander (through Linc AB) who together hold approximately 49 percent of the shares and votes in InDex, have announced their intention to vote in favor of the Board of Directors' decision to issue new shares at the extraordinary general meeting which requires the extraordinary general meeting's approval.

Notice to the extraordinary general meeting will be announced separately today and includes the Board of Directors' complete proposal regarding the relevant part of the Directed Share Issue requiring the extraordinary general meeting's subsequent approval.

Advisers

Carnegie Investment Bank AB (publ) and Pareto Securities AB have acted as Joint Bookrunners (jointly referred to as the "**Joint Bookrunners**") in connection with the Directed Share Issue. Setterwalls Advokatbyrå acted as legal counsel to the Company, and Baker McKenzie acted as legal counsel to the Joint Bookrunners as to Swedish and US law in connection with the Directed Share Issue.

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This information disclosed by InDex Pharmaceuticals Holding AB (publ) constitutes inside information as defined in the EU Market Abuse Regulation 596/2014. The information was submitted for publication, through the agency of the contact person above, on 19 September, 2019 at 22:45 (CEST).

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 lead asset is the drug candidate cobitolimod, which is in late stage clinical development for the treatment of moderate to severe 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 (ticker INDEX) are traded on Nasdaq First North Growth Market. Redeye AB with email address certifiedadviser@redeye.se and phone number +46 8 121 576 90 is the Company's Certified Adviser. For more information, please visit www.indexpharma.com.

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jurisdiction. This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the New Shares.

Any investment decision in connection with the Directed Share Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Joint Bookrunners. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

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This press release is not a prospectus for the purposes of the (EU) Regulation 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. InDex has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

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Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that the New Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the

“Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed Share Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the New Shares and determining appropriate distribution channels.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company’s intentions, beliefs, or current expectations about and targets for the Company’s future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates, including with respect to prospects for pharmaceutical treatments and studies. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.