

THE BOARD'S PROPOSAL REGARDING A RESOLUTION ON IMPLEMENTATION OF A LONG TERM INCENTIVE PROGRAM IN THE FORM OF EMPLOYEE STOCK OPTIONS FOR SENIOR EXECUTIVES AND OTHER KEY PERSONS IN THE GROUP INCLUDING (I) A DIRECTED ISSUE OF WARRANTS AND (II) APPROVAL OF TRANSFER (EMPLOYEE STOCK OPTION PROGRAM 2021/2024)

The board of directors of InDex Pharmaceuticals Holding AB, reg. no. 559067-6820, proposes that the general meeting resolves on implementation of a long-term incentive program (the "Employee Stock Option Program 2021/2024") for senior executives and other key persons of the group (the "Participants") by way of granting employee stock options giving right to acquire new shares in the Company. Board members are not allowed to participate. The proposal also includes decision on a directed issue of warrants in order to enable delivery of shares under the program (if and to the extent the Company would like to effect delivery of shares by use of such warrants) and to cover potential cash flow effects from social security costs arising from employee stock option program, and approval of transfer of such warrants and/or shares on the terms and conditions set forth below.

This proposal has been presented as the board of directors considers it important and in the interests of all shareholders to create involvement for senior executives and other key persons, including employees as well as consultants, in terms of the Company's and the group's development and ensure that these individuals share the goal of generating value-adding growth. It is also important to motivate continued employment and assignments. The board therefore proposes that the annual general meeting resolve as follows below.

Employee Stock Option Program 2021/2024

The board of directors proposes that the general meeting resolves on implementation of the Employee Stock Option Program 2021/2024 in accordance with the guidelines set forth below:

1. The program shall consist of no more than 7,200,000 employee stock options to be allotted to the Participants free of charge.
2. Each employee stock option confers the holder a right to acquire one (1) new share in the Company against cash consideration at an exercise price of SEK 4, corresponding to 222% of the volume weighted average price of the latest 10 trading days (i.e. April 20, 2021 to May 3, 2021). The exercise price and the number of new shares that each employee stock option confers right to may be subject to recalculation by the corresponding application of the provisions in the complete terms and conditions for the warrants (see below).
3. Notice of participation in the program shall have been received by the Company no later than 30 June 2021 with a right for the board of directors of the Company to prolong the time period. Allotment of employee stock options to Participants shall be made promptly after the expiration of the notification period.
4. The employee stock options shall be offered the Participants in accordance with instructions from the board of directors of the Company and the following principles. The Participants right to employee stock options shall be differentiated with regard to

position, responsibilities and performance in the group. Only those persons who are included in the categories below shall be offered employee stock options. The board of directors shall decide which persons that shall be deemed to be included in each category and which persons that shall receive employee stock options. In the event of re-calculation, the Participants in each category shall have the right to acquire the same number of employee stock options. Allotment of employee stock options to Participants outside Sweden shall - where applicable - be dependent on the tax effects, that there are no legal obstacles and that the board considers that such allotment can be made with reasonable administrative and financial resources.

- Category A – CEO: The CEO may be allotted a maximum of 1,930,700 employee stock options.
 - Category B –Senior executives (approximately 3 individuals): participants in this category may be allotted a maximum of 2,316,900 employee stock options collectively and each participant in the category may be allotted a maximum of 772,300 employee stock options individually.
 - Category C – Other key persons (approximately 14 individuals): participants in this category may be allotted a maximum of 2,952,400 employee stock options collectively and each participant may be allotted a maximum of 338,000 employee stock options individually.
5. The employee stock options do not constitute securities and may not be transferred or pledged and may only be exercised for acquisition of new shares in the Company by the person to whom they have been granted.
 6. Alloted employee stock options shall be vested in three equal parts as of the date of each annual general meeting in the Company from 2022 to 2024 (i.e. approximately 33 per cent of the total number of employee stock options will be vested each year) and conditional on continued employment/assignments in the group, with reservation for the terms in the separate option agreements that shall be entered into between each Participant and the Company/Subsidiary.
 7. The holder may exercise allotted and vested employee stock options during the period from and including 1 July 2024 until and including 31 December 2024. The employee stock options may not be exercised for subscription of new shares during the so called “closed periods” according to the EUs Market Abuse Regulation, or otherwise in violation with applicable rules regarding insider information (including the Company’s own guidelines in this regard).
 8. The employee stock options shall be governed by the more detailed terms and conditions set forth in “Terms and Conditions for Employee Stock Options 2021/2024 in InDex Pharmaceuticals Holding AB (publ)”, in accordance with Schedule A, and separate agreements with each Participant. The board of directors shall be responsible for the preparation and management of Employee Stock Option Program 2021/2024 within the abovementioned substantial terms.

Terms and conditions for the issue of warrants

To enable the Company’s delivery of shares under Employee Stock Option Program 2021/2024 and to cover any cash flow effects from potential social security costs arising from

Employee Stock Option Program 2021/2024, the board of directors proposes that the annual general meeting of shareholders resolves on a directed issue of no more than 9,462,240 warrants, out of which 2,262,240 warrants are proposed to be issued to cover potential cash flow effects from social security costs arising from Employee Stock Option Program 2021/2024, according to the following terms.

1. The Company shall issue no more than 9,462,240 warrants of series 2021/2025. Each warrant entitles to subscription of one (1) new share in the Company, each with a quotient value of SEK 0.02. If all warrants are exercised for subscription of new shares, the Company's share capital will increase by SEK 189,244.80 (subject to potential recalculations in accordance with customary terms and conditions to be applicable in relation to the warrants).
2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the Company or its subsidiary InDex Pharmaceuticals AB, org. no. 556704-5140 (the "Subsidiary"). The reason for the deviation from the shareholders' preferential rights is to enable delivery of shares under Employee Stock Option Program 2021/2024, and to cover cash flow effects from potential social security costs arising from Employee Stock Option Program 2021/2024.
3. The Company's/Subsidiary's subscription of the warrants shall be made on a special subscription list within five (5) calendar days from the date of the general meeting that resolves on the issue. The board of directors shall have the right to extend the subscription period.
4. The warrants are issued without consideration (i.e. free of charge) to the Company/Subsidiary.
5. The warrants may be exercised for subscription of new shares during the period from and including the registration of the warrants with the Swedish Companies Registration Office until and including 31 March 2025.
6. Each warrant entitles to subscription for one (1) new share in the Company at a subscription price of SEK 4 per share (the "Exercise Price"). Any amount that exceeds the quotient value shall be transferred to the nonrestricted share premium account.
7. Shares issued following subscription shall entitle to participation in the distribution of dividends for the first time on the record date for dividends that occurs immediately following definite registration of the new shares with the Swedish Companies Registration Office and in the Company's share register kept by Euroclear Sweden AB.
8. The warrants shall also be subject to the terms and conditions, inter alia containing customary recalculation conditions, set forth in Schedule B.
9. The chairman of the board of directors, the CEO or a person appointed by the board of directors shall be authorised to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

The board of directors further proposes that the general meeting of shareholders resolves to approve that the Company may transfer no more than 7,200,000 warrants in the Company to participants in Employee Stock Option Program 2021/2024, or otherwise dispose of the

warrants to secure the Company's commitments in connection with Employee Stock Option Program 2021/2024 in connection with the Participants being entitled to exercise their employee stock options to acquire shares, and that the Company may dispose of no more than 2,262,240 warrants to cover potential cash flow effects from social security costs in accordance with the terms of Employee Stock Option Program 2021/2024.

Reasons for the employee stock option program and the deviation from the shareholders' preferential rights

The reason for the deviation from the shareholders' preferential rights is to create involvement for the Participants in terms of the Company's and the group's development and to ensure that these individuals share the goal of generating value-adding growth, and to motivate continued employment and assignments. The board of directors assess that these objectives are in line with all shareholders' interests. The warrants are proposed to be issued to the Company in order to enable delivery of new shares to the Participants in the program and to cover cash flow effects from potential social security costs arising from Employee Stock Option Program 2021/2024.

Existing share related incentive programs

At the annual general meeting held on 20 April 2020 it was resolved on a directed issue of 3,965,000 warrants within the framework of an incentive program to senior executives and other key persons. At the time of this proposal there are currently 958,388 outstanding warrants within the framework of the incentive program (after the cancellation of 3,006,612 warrants registered with the Swedish Companies Registration Office on 22 March 2021). Each warrant entitles to subscribe for one new share in the Company at a subscription price of SEK 20.00. The warrants may be exercised from and including 1 May 2023 until and including 31 October 2023. As a result of the rights issue completed during February 2021, the subscription price and the number of shares each warrant entitles the holder to subscribe for has been recalculated in accordance with applicable terms and conditions. The recalculated subscription price amounts to SEK 7.804 and each warrant entitles to subscribe for 2.5627 shares.

Costs, dilution, etc.

The program will be accounted for in accordance with "IFRS 2 – Share-based payments". IFRS 2 stipulates that the employee stock options should be expensed as personnel costs over the vesting period and will be accounted for directly against equity. Personnel costs in accordance with IFRS 2 do not affect the Company's cash flow. Social security costs will in accordance with UFR 7 be expensed in the income statement during the vesting period. Assuming a share price at the time of allotment of SEK 2, and that all employee stock options are vested and exercised up-front, the annual cost for the program is in accordance with IFRS 2 estimated to approximately SEK 400,000 per year before tax. Since the social security costs associated with the program are covered by hedging measures through the issue of warrants which will be exercised by a financial intermediary in connection with the exercise of the

employee stock options, the social security costs associated with the program will be fully covered. The hedging measures will instead result in an additional dilution of present shareholders (which is included in the dilution calculations presented below). The costs associated with the establishment of the program are further estimated to a total of SEK 100,000. Further, minor brokerage costs will arise in connection with the exercise of hedging warrants by a financial intermediary. The costs associated with the program are expected to have only a marginal effect on the Company's key ratios.

Upon full exercise of all 9,462,240 issued warrants issued in connection with Employee Stock Option Program 2021/2024, a total of 9,462,240 new shares will be issued in the Company (subject to potential recalculations in accordance with applicable terms and conditions). This corresponds to approximately 1.78% of the total share capital and number of shares/votes in the Company and would lead to a dilution corresponding to approximately 1.74% of the total share capital and number of shares/votes (based on the share capital and number of shares/votes in the Company registered with the Swedish Companies Registration Office as of the day of this proposal and calculated as the maximum amount of share capital and number of shares/votes that may be issued, divided by the total share capital and the total number of shares/votes in the Company after all warrants have been exercised).

The above calculations regarding dilution and impact on key ratios are subject to recalculations in accordance with the customary recalculation terms set out for the programs.

Preparation of the proposal

This proposal has been prepared by the board of directors together with external advisors and after consultations with certain major shareholders. The final proposal has been presented by the board of directors.

Majority requirements

The proposed implementation of Employee Stock Option Program 2021/2024 including a directed issue of warrants, and the approval of the transfer of warrants and/or shares, is governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

Miscellaneous

The chairman of the board of directors, the CEO or a person appointed by the board of directors shall be authorised to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office

The board of directors