FLERIE

Admission to trading of ordinary shares in Flerie AB on Nasdaq Stockholm

This Prospectus was approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) on 26 June 2024. The Prospectus is valid for a period of up to 12 months from the date of the approval. The obligation to publish a supplement to the Prospectus in the event of significant new factors, material mistakes or inaccuracies will not apply when the Prospectus is no longer valid, and Flerie AB will only prepare supplements to the Prospectus when required pursuant to the provisions of the Prospectus Regulation.

IMPORTANT INFORMATION

The prospectus (the "**Prospectus**") has been prepared for the purpose of admission to trading of ordinary shares in Flerie AB on Nasdaq Stockholm (the "**Admission**"). In the Prospectus, "**Flerie**", the "**Company**" or the "**Group**" refers to, depending on the context, Flerie AB, registration number 559067-6820, the group in which Flerie AB is the parent company or a subsidiary in the group. "**Flerie Invest**" refers only to Flerie Invest AB, registration number 556856-6615, or, depending on the context, the group in which Flerie Invest previously was the parent company prior to the Transaction. "**InDex**" refers to the Company, or, depending on the context, the Group prior to the Transaction. The "**Transaction**" relates to the reverse merger between the Company and Flerie Invest carried out on 10 June 2024. The "**Principal Shareholders**" refer to T&M Förvaltning AB and T&M Participation AB. "**Euroclear**" refers to Euroclear Sweden AB. "**Carnegie**" refers to Carnegie Investment Bank AB (publ), and "**DNB**" refers to DNB Markets, a part of DNB Bank ASA, filial Sverige.

Preparation and approval of the Prospectus
The Prospectus has been prepared in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation"**) and the Commission Delegated Regulation (EU) 2019/980. The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") in accordance with the Prospectus Regulation. This approval and registration of the Prospectus by the SFSA does not mean that the SFSA guarantees that the information in the Prospectus is complete or correct. Swedish law applies to the Prospectus. Any dispute arising from the Prospectus or other legal matters related thereto shall be settled exclusively by a Swedish court of law. The Prospectus has been made in both a Swedish and an English version. In case of any discrepancy between the Swedish and the English version, the Swedish version shall prevail.

The Prospectus relates to the Admission and does not include any offer to subscribe for or otherwise acquire shares or other securities in the Company, neither in Sweden nor in any other jurisdiction. The Prospectus may not be made public, published or distributed in the United States, Canada, Japan, Australia, Hong Kong, Switzerland, Singapore, South Africa or New Zealand or another country or jurisdiction where such measure requires registration measures or other measures beyond those required by Swedish law. Recipients of the Prospectus is obliged to inform themselves of and comply with such legal restrictions and in particular not to publish or distribute the Prospectus in violation of applicable laws and rules. Any action in violation of the said restrictions may constitute a violation of applicable securities law.

Investment information
An investment in securities is associated with certain risks and investors are encouraged to read the section "*Risk factors*" in particular. When investors make an investment decision, they must rely on their own assessment of the Company, including applicable facts and risks. Prior to making an investment decision, potential investors should engage their own professional advisers and carefully evaluate and consider their investment decision. Investors may only rely on the information contained in the Prospectus and any possible supplements to the Prospectus. No person is authorised to provide any information or make any statements other than those made in the Prospectus. Should such information or statements nevertheless be made, they should not be considered to have been approved by the Company and the Company is not responsible for such information or such statements.

Market information and certain forward-looking statements
The Prospectus contains market information and industry forecasts from third parties, including information regarding the size of the markets in which the Group operates. Although the Company considers that these sources are reliable and that the information has been reproduced properly, the Company has not independently verified the information which is why its accuracy and completeness cannot be guaranteed. The Company has reproduced such third party information accurately and, to the extent the Company's board of directors knows and can ascertain from information that has been published by the third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Some information and statements in the Prospectus regarding the industry in which the Company's business is conducted are not based on published statistics or information from independent third parties, but rather reflects the Company's best estimates based on information obtained from industry and business organisations and other contacts. Although the Company is of the view that its internal analyses are reliable, these have not been verified by any independent source. Information in the Prospectus relating to future conditions, such as statements or assumptions regarding the Company's future development and market conditions, is based on current circumstances at the time of the publication of the Prospectus. Forward-looking information are always associated with uncertainties since it regards and depends on events beyond the Company's control. Therefore, no guarantee is made that assessments made in the Prospectus regarding future conditions will be realised, either explicitly or implicitly. The Company also does not undertake to publish updates or revisions of the statements regarding future conditions as a result of new information or the like that appear after the time of the publication of the Prospectus, in addition to what follows from the Prospectus Regulation.

Presentation of financial information
Some financial and other information stated in the Prospectus has been rounded off to make the information easily accessible to the reader. Consequently, the numbers in certain columns do not exactly correspond to the total amount declared. This is the case when the amount is stated in thousands, millions and billions. Except when expressly stated, no information in the Prospectus has been reviewed or audited by the Company's auditor. Reference to "**SEK**" refers to Swedish krona, reference to "**EUR**" refers to euro, reference to "**USD**" refers to U.S. dollar, reference to "**GBP**" refers to pound sterling and reference to "**CHF**" refers to Swiss franc. Reference to "**K**" refers to thousands and reference to "**M**" refers to millions.

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PRELIMINARY TIMETABLE

Last day of trading on Nasdaq First North Growth Market:	26 June 2024
First day of trading on Nasdaq Stockholm:	27 June 2024

INFORMATION ABOUT THE SHARE

Short name (ticker):	FLERIE
ISIN-code:	SE0008966295

FINANCIAL CALENDAR

Interim report for the period 1 January – 30 June 2024:	17 July 2024
Interim report for the period 1 January – 30 September 2024:	16 October 2024
Year-end report 2024	22 January 2025

Summary

INTRODUCTION AND WARNINGS

Introduction and warnings	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. The investor may lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have prepared the summary, including any translations thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The issuer	Flerie AB Corporate identity number: 559067-6820 LEI-code: 54930047C4A74IBXR037 Address: Skeppsbron 16, SE-111 30 Stockholm, Sweden Telephone number: +46 (0) 708 67 62 10
Instruments	The Admission comprises all ordinary shares in Flerie AB with ISIN-code SE0008966295 and ticker FLERIE.
Competent authority	The Swedish Financial Supervisory Authority Postal address: P.O. Box 7821, SE-103 97 Stockholm, Sweden Telephone number: +46 (0) 8 408 980 00 Website: www.fi.se
Approval date of the Prospectus	26 June 2024

KEY INFORMATION ON THE ISSUER

Who is the issuer of the instruments?	***The issuer's domicile, legal form and legislation*** Flerie AB is a Swedish public limited company incorporated in Sweden with its registered office in Stockholm, Sweden. The Company was incorporated on 14 December 2015 and was registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 27 June 2016. Its operations are conducted in accordance with Swedish law and its form of association is regulated by the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). The Company's LEI-code is 54930047C4A74IBXR037. ***The issuer's principal activities*** Prior to the Transaction (as defined below), Flerie AB (the "**Company**" or "**Flerie**"), which prior to the Transaction had the name InDex Pharmaceuticals Holding AB ("**InDex**"), was engaged in pharmaceutical development, focusing on immunological diseases. The Company's lead asset was the drug candidate cobitolimod. On 26 February 2024, the Company announced that the cobitolimod development program, as well as the development of the Company's other compounds, was discontinued. On 10 June 2024, the Company acquired all outstanding shares in Flerie Invest AB ("**Flerie Invest**") through a reverse merger (the "**Transaction**"), whereby Flerie Invest became a wholly owned subsidiary of the Company and the former major shareholders of Flerie Invest became major shareholders in the Company. In connection with the Transaction, the Company changed its legal name from InDex Pharmaceuticals Holding AB to Flerie AB. Following the Transaction and as of the date of the Prospectus, the entire business of the Group consists of the business conducted by Flerie Invest prior to the Transaction.

Flerie is an active long-term global biotech and pharmaceutical investor based in Stockholm managing a portfolio of 32 investments in Europe, Israel, and the US. The focus is on enabling companies with pioneering innovations in drug development and related services to succeed by providing them with resources and expertise. Flerie invests in companies across the entire value chain, providing exposure to three different segments: Product Development, Commercial Growth, and Limited Partnerships. The portfolio covers a wide range of areas, including immuno-oncology, metabolic diseases and biologics development and manufacturing organisations, which have the potential to make a significant impact on health and well-being.

Flerie Invest was founded in 2011 by Thomas Eldered, who also co-founded and built Recipharm to be one of the world's top five pharmaceutical contract manufacturers.

The issuer's major shareholders

The table below sets forth a summary of the Company's ownership structure as per 31 March 2024 including subsequently known changes. As far as the Company is aware, there is no direct or indirect ownership that leads to control of the Company other than as set forth in the table below. The Principal Shareholders together hold a majority of the shares and votes in the Company, which means that they have a significant influence over the Company and most of the matters that are subject to resolutions at general meetings.

Name	Total number of shares	Percentage
T&M Förvaltning AB[1)]	3,021,358,557	38.70%
T&M Participation AB[2)]	2,867,644,083	36.73%
Fjärde AP-fonden	546,385,220	7.00%
Other shareholders	1,371,252,738	17.57%
In total	**7,806,640,598**	**100%**

1) The chairman of the Company's board of directors, Thomas Eldered, holds 100 per cent of the shares and votes in T&M Förvaltning AB (previously Flerie Förvaltning AB).
2) The chairman of the Company's board of directors, Thomas Eldered, holds 51 per cent of the shares and votes in T&M Participation AB (previously Flerie Participation AB). T&M Förvaltning AB holds the remaining 49 per cent of the shares and votes in T&M Participation AB.

The shareholdings in the table above include own, spouse's/partner's, siblings or relatives in the direct ascending or descending line as well as legal entities in which the person has a controlling interest.

Board of directors, senior management and auditor

The Company's board of directors currently consists of four board members, including the chairman of the board. The directors of the board are Thomas Eldered (executive chairman of the board), Cecilia Edström, Anders Ekblom and Jenni Nordborg.

Ted Fjällman (CEO), Cecilia Schéele (CFO and Deputy CEO) and Mark Quick (Partner) constitute the senior management of the Company.

At the extraordinary general meeting held on 10 June 2024, it was resolved to elect Ernst & Young AB as auditor for the period until the end of the next annual general meeting. Authorised public accountant Jennifer Rock-Baley, member of FAR (professional institute for authorised public accountants, approved public accountants, and other advisers in Sweden) is auditor-in-charge. Ernst & Young AB's address is P.O. Box 7850, SE-103 99 Stockholm, Sweden. PricewaterhouseCoopers AB was the Company's auditor until the end of the extraordinary general meeting held on 10 June 2024, with Magnus Lagerberg, authorised public accountant and member of FAR, as the auditor-in-charge. PricewaterhouseCoopers AB's address is Torsgatan 21, 113 97 Stockholm, Sweden.

Ernst & Young AB, with Jennifer Rock-Baley as auditor in charge, has been Flerie Invest's auditor since 8 September 2022. RSM Stockholm AB was Flerie Invest's auditor until the end of the extraordinary general meeting held on 8 September 2022, with Robert Hasslund, authorised public accountant and member of FAR, as the auditor-in-charge. RSM Stockholm AB's address is Birger Jarlsgatan 57B, SE-113 56 Stockholm, Sweden.

Financial key information regarding the issuer[1)]

As a result of the Transaction being classified as a reverse asset acquisition for accounting purposes under IFRS, InDex's accounts are included in Flerie Invest's accounts from 10 June 2024. The selected historical financial information for the Group presented in this section is therefore to be found in Flerie Invest's annual reports for the financial years 2021, 2022 and 2023, as well as the unaudited interim report for the period 1 January – 31 March 2024, which are incorporated in the Prospectus by reference. The historical financial information contained in InDex's annual reports for the financial years 2021, 2022 and 2023, and the unaudited interim report for the period 1 January – 31 March 2024, which are incorporated in the Prospectus by reference, are not included in this section.

The Group's consolidated income statement in brief

	1 January – 31 December (audited IFRS)			1 January – 31 March 2024 (unaudited IAS 34)	1 January – 31 March 2023 (unaudited IAS 34)
MSEK	**2023**	**2022**	**2021**		
Profit/loss from management activities	–528.2	103.1	–1,582.2	–148.8	60.4
Operating profit/loss	–571.1	79.0	–1,587.8	–155.2	47.0
Profit/loss from financial items	9.7	10.0	–6.8	3.3	–2.8
Total net profit for the period attributable to: Parent company's shareholders	–559.6	87.6	–1,599.5	–149.5	35.5
Earnings per share before and after dilution, SEK[1)]	–6.12	3.5	–64.0	–1.33	1.37

1) Recalculated for share split 500:1 in Flerie Invest carried out in March 2023.

The Group's consolidated balance sheet in brief

	31 December (audited IFRS)			31 March 2024 (unaudited IAS 34)	31 March 2023 (unaudited IAS 34)
MSEK	**2023**	**2022**	**2021**		
Total assets	3,583.3	3,540.4	2,023.2	3,525.6	3,897.3
Total equity	3,565.7	613.4	525.8	3,416.2	3,549.0

The Group's consolidated statement of cash flow in brief

	1 January – 31 December (audited IFRS)			1 January – 31 March 2024 (unaudited IAS 34)	1 January – 31 March 2023 (unaudited IAS 34)
MSEK	**2023**	**2022**	**2021**		
Cash flow from operating activities[1)]	–73.8	–2.4	–597.4	–1.8	–47.3
Cash flow from investing activities[2)]	–625.2	–1,294.1	0.4	–117.5	–167.3
Cash flow from financing activities	634.7	1,390.6	531.6	89.9	299.9

1) Flerie Invest used a different presentation for the item "Cash flows from operating activities" in the annual report for 2022 and 2023 compared to the annual report for 2021.
2) Flerie Invest used a different presentation for the item "Investing activities" in the annual report for 2022 and 2023 compared to the annual report for 2021.

Following the Transaction, the entire business of the Group consists of the business conducted by Flerie Invest prior to the Transaction. Therefore, Flerie Invest's consolidated annual reports for the financial years 2021, 2022 and 2023, as well as Flerie Invest's unaudited interim report for the three-month period ended 31 March 2024 with comparative figures for the three-month period ended 31 March 2023, provide a better indication of the Group's future results and financial position than a pro forma financial statement, including the InDex group's financial figures, would. Therefore, no pro forma financial statements have been.

1) Flerie Invest used a different terminology in the annual report for 2021 compared to the later prepared financial reports. The relevant figures in this section can be found under the "investment company's" income statement, balance sheet and cash flow in the 2021 annual report.

Specific key risks for the issuer	***Risks related to investments in the early stages of the portfolio companies*** Flerie invests in portfolio companies at different stages of development. Investments at early stages of a company entail more distinct and inherent risks. There is a risk that Flerie invests in companies that do not succeed in their business operations, which could result in Flerie losing parts or all of the invested capital. ***Risks related to the portfolio companies' operations in the life science sector*** As a result of Flerie investing in companies in the life sciences sector, Flerie is subject to specific risks related to that sector. These specific risks include for example risks connected to licensing and registration obligations, regulatory requirements, political risks and risks related to the protection of intellectual property. ***Flerie may need to adjust the financing plans of the portfolio companies*** Flerie continuously evaluates and discusses investments in new companies as well as potential follow-on investments in the current portfolio companies. A part of the evaluation process is to review the financing plans of the relevant portfolio company. Even if the financing plans of the portfolio company are known at the time of the initial investment and are included in Flerie's liquidity plan from that date, there is a risk that such financing plans need to be adjusted if the portfolio company requires more capital and resources than initially planned, affecting Flerie's financial position. ***Flerie may be unable to find suitable investment targets or fail to carry out successful investments*** In the future Flerie may be unable to find suitable investment targets due to, e.g., difficult market conditions or competition from other companies that want to carry out investments in the same sectors. There is therefore a risk that the Company will not succeed in identifying suitable investment candidates and that some investments will therefore not be carried out. Furthermore, there is a risk that Flerie's investments may not be successful. ***Flerie is subject to risks in relation to misleading or incorrect due diligence investigations*** There is a risk that due diligence investigations conducted in respect of a particular investment opportunity will not reveal all relevant facts, opportunities or risks that may be necessary or helpful in evaluating the investment opportunity, which may affect Flerie's performance and financial position. ***Flerie is dependent on recruiting and maintaining personnel*** Flerie is highly dependent on the knowledge, experience and commitment of the members of the board of directors, senior executives and other key personnel. Loss of key personnel, combined with a failure to attract and retain qualified personnel, may have a negative impact on Flerie's day-to-day operations. ***Flerie or its portfolio companies may be subject to various disputes or other legal proceedings*** There is a risk that Flerie or one or more of Flerie's portfolio companies may be involved in legal proceedings related to its operations. If significant disputes arise in any of the portfolio companies, there is a risk that they may have a negative effect on the portfolio company's value. ***Flerie is exposed to tax-related risks*** Flerie handles tax issues in accordance with Flerie's assessment or interpretation of applicable tax laws, agreements, regulations and requirements from relevant tax authorities. There is a risk that the tax authorities in the countries in which Flerie is present, or will be present, may actively make assessments and make decisions that differ from Flerie's assessment or interpretation of relevant tax laws, agreements and regulations. ***Flerie may be unable to carry out investments due to lack of financing*** There is a risk that Flerie may be unable to carry out investments as a result of Flerie failing to secure financing. ***Flerie is exposed to currency risks*** Flerie is subject to currency risk, which is mainly due to the Company's investments in portfolio companies where the value of the investments is determined in another currency than SEK. It is, according to Flerie, plausible that a large change in the currency rates for EUR, USD, and GBP to SEK would affect the value of Flerie's investment in the relevant portfolio companies and in turn Flerie's net asset value.

KEY INFORMATION ON THE SECURITIES

Key characteristics of the securities	***Type of security, category and ISIN*** This Prospectus relates to admission to trading of all ordinary shares in Flerie AB. The shares have ISIN-code SE0008966295. The short name of the share (ticker) is FLERIE. ***The currency of the securities, quota value and numbers*** The Company's shares may be issued in two (2) classes: ordinary shares and shares of series C. The shares of the Company are denominated in SEK. As of the date of the Prospectus, the Company's registered share capital amounts to SEK 156,132,811.96 divided into 7,806,640,598 ordinary shares, implying a quota (par) value per share of SEK 0.02. All shares are fully paid. As of the date of the Prospectus, no shares of series C have been issued. ***Rights attached to the securities*** Shareholders are entitled to vote for the full number of shares and each share entitles to one vote at the general meeting. All ordinary shares in the Company give equal rights to dividends, share in the Company's profits and the Company's assets as well as any surplus in the event of liquidation. Shares of series C do not entitle to dividends. In the event of the dissolution of the Company, shares of series C carry an equal right to Company's assets as ordinary shares, however not to an amount per share exceeding the redemption amount of each redeemed share of series C, corresponding to the net asset value per share as reported on 31 March of the current year, plus any accrued interest. The shares carry the right to dividend for the first time as of the record date for dividends that falls after the shares have been registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and entered in the share register kept by Euroclear. The Company's shares are issued in accordance with Swedish law and the rights associated with the shares can only be changed by amending the articles of association in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). The Company's articles of association contain a conversion clause whereby holders of ordinary shares have the right, during the period between 24 March and 31 March each year, to request that all or part of the ordinary shares held shall be converted into shares of series C. Conversion may take place of a maximum number of ordinary shares that will result in the number of issued shares of series C, following conversion, amounts to a maximum of five (5) per cent of the entire share capital. The board of directors shall thereafter be obliged, subject to certain exceptions, to resolve upon the redemption of all shares of series C against payment of a redemption amount. To the extent such redemption does not take place, or an ordinary record date has not been determined in accordance with the provisions of the articles of association, holders of shares of series C shall be entitled to request that all or part of their holdings of shares of series C be converted into ordinary shares. If the Company decides to issue new shares of all share classes issued, through either a cash issue or a set-off issue, shareholders generally have preferential rights to subscribe for shares of the same class in relation to the number of shares previously owned. If the Company decides to issue shares of only one class, through either a cash issue or set-off issue, each shareholder, without regard to different classes of shares, shall have a preferential right to subscribe for new shares in relation to the number of shares previously owned by them. If the Company decides to issue subscription options or convertibles, through either a cash issue or set-off issue, each shareholder shall have a preferential right to subscribe for the subscription options as if the issue was for the shares that may be subscribed for through the subscription options, and respectively, each shareholder shall have a preferential right to subscribe for the convertibles as if the issue was for the shares that the convertibles may be converted into. However, the general meeting, or the board of directors with support of an authorisation granted by the general meeting, may decide to deviate from the shareholders' preferential rights in accordance with the Swedish Companies Act. ***The relative seniority of the securities in the capital structure of the issuer in the event of insolvency*** The Company's shares may be issued in two (2) classes: ordinary shares and shares of series C. All shares have the same priority in the event of insolvency. ***Transferability of shares*** Subject to the Principal Shareholders', the members of the board of directors', and the senior management's undertakings not to transfer shares in the Company for a certain period of time after completion of the Transaction, in total 360 days for the Principal Shareholders and 180 days for the board of directors and senior management of the Company, there are no restrictions on the right to freely transfer shares in the Company. ***Dividend policy*** The Company's cash flow is primarily intended to be reinvested in the business in order to finance future growth and the Company therefore does not intend to pay any annual dividend.

Where will the securities be traded?	As of the date of the Prospectus, the Company's ordinary shares are listed on Nasdaq First North Growth Market. The Company has applied for admission to trading of the Company's ordinary shares on Nasdaq Stockholm. On 26 June 2024, Nasdaq Stockholm's listing committee assessed that the Company complies with Nasdaq Stockholm's listing requirements, provided that certain customary conditions, including the dispersion requirement of the Company's shares, are fulfilled no later than on the first day of trading on Nasdaq Stockholm.
Specific key risks for the securities	***The market price of the share and limited liquidity*** Since an investment in shares may fall in value, there is a risk that an investor will not recover the invested capital. The price of the Company's share may be volatile, and the difference between the selling price and the purchase price may be significant from time to time, which makes it more difficult for a shareholder to sell shares at a certain time at a price deemed satisfactory. ***Existing shareholders' sales of shares may affect the share price*** Significant sales of shares carried out by major shareholders, as well as a general market expectation that sales may be carried out, may lead to the price of the Company's shares falling. ***Risks related to shareholders with significant influence*** As of the date of the Prospectus, the Principal Shareholders own approximately 75.44 per cent of the shares and the votes in the Company. There is thus a risk that the ability of other shareholders to exercise influence in the Company through their voting rights may be limited or that they will not be able to exercise any influence at all. ***Risks related to future new share issues*** In order to, inter alia, raise capital or enable investments, the Company may issue additional shares or share related instruments in the future. There is a risk that additional financing on satisfactory terms will not be available to the Company when needed or at all.

KEY INFORMATION ON THE ADMISSION TO TRADING ON NASDAQ STOCKHOLM

Under which conditions and timetable can I invest in these securities?	***General*** The Prospectus relates to admission to trading of the Company's ordinary shares on Nasdaq Stockholm and does not include any offer to subscribe for or otherwise acquire shares or other securities in the Company. On 26 June 2024, Nasdaq Stockholm's listing committee assessed that the Company complies with Nasdaq Stockholm's listing requirements, provided that certain customary conditions, including the dispersion requirement of the Company's shares, are fulfilled no later than on the first day of trading on Nasdaq Stockholm. The first day of trading on Nasdaq Stockholm is expected to be on or around 27 June 2024. ***Proceeds and costs relating to the Admission*** The Company's costs in connection with the Admission are estimated to amount to approximately MSEK 5. Such costs are primarily attributable to costs for legal advisors and listing costs to Nasdaq Stockholm and the Swedish Financial Supervisory Authority. The Company will not receive any proceeds in connection with the Admission.
Why is this Prospectus being produced?	***Reasons for the Admission*** Flerie's board of directors and management believe that the contemplated listing on Nasdaq Stockholm together with a broadening of the Company's shareholder base, will promote Flerie's continued growth and development, inter alia, by extending the Company's financing options and providing access to Swedish and international capital markets. As a result, more sources of funding will be made available to support the Company's continued investments. A broadening of the Company's shareholder base means increased credibility and awareness as well as a quality stamp which the Company believes may be beneficial in order to attract important investments and partnerships for portfolio companies. ***Conflicts of interests*** There are no known material conflicts of interest pertaining to the Admission. Setterwalls Advokatbyrå AB is legal advisor to the Company in connection with the Admission and may provide further legal advice to the Company.

Risk factors

An investment in securities is associated with risk. When assessing the Group's future development, it is important to consider the risk factors associated with the Company and its shares. These include risks related to the Company's operations and industry sector, legal risks, financial risks and risks related to the shares and the Admission. Below are described the risk factors that are deemed to be of material importance for the Company's business and future development. The Company has assessed the risks based on the likelihood that the risks will occur graded under the scale (i) low, (ii) medium and (iii) high and the expected extent of their adverse effects should they materialise, and the expected extent of the adverse effects have been graded under the scale (i) significant, (ii) very significant and (iii) highly significant. The risk factors are presented in a limited number of categories, in which the most significant risks according to the Company's assessment as described above are stated first. The description below is based on information available as of the date of the Prospectus.

BUSINESS AND INDUSTRY RELATED RISKS

Risks related to investments in the early stages of the portfolio companies

Flerie invests in portfolio companies at different stages of development, including at early stages (the Product Development phase) and at later stages (the Commercial Growth phase). Investments at early stages of a company entail more distinct and inherent risks. The products, intellectual property or other services that are provided by companies in the early stages may fail. In addition, companies may fail to sell their services and products to larger companies or to turn their offering or technology into commercially successful products. Moreover, companies in the early development stages may encounter difficulties in obtaining sufficient funding, which may limit their ability to fund ongoing research and development. Therefore, such companies may be forced to sell their products or assets on less favourable terms. Also, in the early stages, it can be difficult for companies to recruit or retain competent staff, as a result of difficulties in competing financially with other, well-established, employers. Established companies can also have better conditions for competing with companies that are in the early stages, for example because companies in the early stages may not be able to protect their intellectual property adequately. Thus, there is a risk that Flerie invests in companies that do not succeed in their business operations, which could result in Flerie losing parts of the invested capital, or all of it. According to Flerie's assessment, the probability of these risks occurring for an individual portfolio company is medium, and if they were to materialise, they could have a significant adverse effect on Flerie's results and financial position. However, if such failures would occur in several portfolio companies at once, it could have a highly significant adverse effect on Flerie's results and financial position. According to Flerie's assessment, the probability of such simultaneous failure is low.

Risks related to the portfolio companies' operations in the life science sector

As a result of Flerie investing in companies in the life science sector, Flerie is subject to specific risks related to that sector. For example, some of Flerie's portfolio companies are subject to licensing and registration obligations. There is a risk that the necessary permits, especially with regard to medical regulatory requirements and environmental requirements, may not be obtained or maintained. In addition, changes in the regulations that apply to the relevant portfolio companies, entailing stricter requirements, or otherwise changed conditions, may lead to additional investments being required or to the portfolio companies' costs increasing. Regulatory requirements may also differ between different markets, increasing the complexity and thus the risk for the portfolio companies. Such additional investments or increased costs in several portfolio companies at once may have a significant adverse effect on Flerie's results and financial position. Pharmaceutical companies that are at a development stage are often valued on the basis of investors' expec-

tations of the results of the clinical studies that the companies carry out. There is a risk that the results of a clinical study do not turn out as well as Flerie expected when making the investment, which may affect the value of the relevant portfolio company. In the Commercial Growth segment, Flerie may invest in an area that is later, wholly or partially, overtaken by new technology and methods. There is also a risk that developments or market measures taken by competitors of the portfolio companies may result in a reduction of the value of Flerie's portfolio companies, or that the portfolio companies' operating activities will be made more difficult, which may adversely affect the value of the relevant portfolio company. A lower valuation of one or more portfolio companies can have a significant adverse effect on Flerie's financial position. According to Flerie's assessment, the probability of these risks occurring for an individual portfolio company is medium, and if they were to materialise, they could have a significant adverse effect on Flerie's results and financial position. If these risks would occur in several portfolio companies at once, it could have a highly significant adverse effect on Flerie's results and financial position. According to Flerie's assessment, the probability of such an event occurring is low.

Flerie is exposed to political risks through its holdings in companies in the life science sector. From a global perspective, expenditure on healthcare products and healthcare services is largely controlled by the relevant state or government. Funds can thus be made available or withdrawn from healthcare budgets as a result of various political decisions. The portfolio companies also rely to a large extent on patent protection and protection of other intellectual property rights in their operations. This entails a risk in the event that adequate protection cannot be obtained for new products or technologies developed by the portfolio companies, or in the event that a third party has the protection annulled or revoked. Furthermore, patents and other intellectual property rights owned by competitors can impair a portfolio company's ability to develop and conduct its business. Also, monitoring intellectual property rights is complicated and costly, and the outcome of any subsequent legal action is uncertain. There is also a risk that competing actors may restrict or delay the commercialisation of products by challenging patent protection and protection of other intellectual property rights. Thus, there is a risk that the measures taken by a portfolio company will prove to be insufficient to prevent someone from making use of its technology without authorisation. Any of these risks could also adversely affect the value of the affected portfolio company. According to Flerie's assessment, the probability of these risks occurring is low, but if they were to materialise, they could have a very significant adverse effect on Flerie's financial position.

Flerie may need to adjust the financing plans of the portfolio companies

Flerie continuously evaluates and discusses potential investments in new companies as well as potential follow-on investments in the portfolio companies and the Company foresees several transactions in the long term. Part of the evaluation process is to review the financing plans of the relevant portfolio company and determine if it is a suitable and possible investment for Flerie based on the Company's own liquidity plan. Even if the financing plans of the portfolio companies are known at the time of the initial investment and are included in Flerie's liquidity plan from that date, there is a risk that such financing plans need to be adjusted if the portfolio company requires more capital and resources than initially planned, affecting Flerie's financial position. According to Flerie's assessment, the probability of these risks occurring for an individual portfolio company is medium, and if they were to materialise, they could have a significant adverse effect on Flerie's financial position. However, if these risks would occur in several portfolio companies at once, it could have a very significant adverse effect on Flerie's results and financial position.

Flerie may be unable to find suitable investment targets or fail to carry out successful investments

In the future, Flerie may be unable to find suitable investment targets due to, e.g., difficult market conditions caused by, for example, sudden external events, which may result in fewer companies meeting the Group's acquisition criteria. Flerie may also be exposed to competition from other companies that want to carry out investments in the same sectors. There is therefore a risk that the Company does not succeed in identifying suitable investment candidates and therefore some investments cannot be carried out. Furthermore, there is a risk that Flerie's investments may not be successful. According to Flerie's assessment, the probability of these risks occurring is low, but if they were to materialise, they could have a significant adverse effect on Flerie's financial position.

Flerie is subject to risks in relation to misleading or incorrect due diligence investigations

Before Flerie decides to invest in new portfolio companies, Flerie conducts a due diligence investigation of the intended investment. When conducting a due diligence investigation, Flerie and its advisers may rely on available resources, which often comprise information provided by the company that is the object of the investigation, and, in some cases investigations and due diligence reports from third parties. Information provided by or obtained from third party sources may be limited and, in some cases, incorrect or misleading. In addition, there is a particular risk of inadequate due diligence investigations in relation to listed companies, as the possibility to receive information necessary for

the due diligence process might be limited by, for example, applicable inside information regulations. Thus, it is not certain that the due diligence investigations conducted in respect of a particular investment opportunity will reveal all relevant facts, opportunities or risks that may be necessary or helpful in evaluating the investment opportunity. There is therefore a risk that the success, or future outcome, of an investment may not be achieved in line with the financial expectations that existed when the investment was evaluated, which may have a significant adverse effect on Flerie's performance and financial position. According to Flerie's assessment, the probability of these risks occurring is medium.

Flerie is dependent on recruiting and maintaining personnel

Flerie is highly dependent on the knowledge, experience and commitment of the members of the board of directors, senior executives and other key personnel. The Company is furthermore dependent on being able to recruit qualified personnel, if necessary. As of the date of the Prospectus, Flerie has five full-time employees and three senior advisers providing consultancy services.

There is a risk that Flerie may fail to retain some of the key personnel or senior executives or that the Company will fail to recruit new qualified personnel in the future. The Company's ability to recruit and retain its personnel is dependent on a number of factors, including the competitors' recruiting process, salary and remuneration benefits and workplace placement. Loss of key personnel or the above-mentioned persons, combined with a failure to attract and retain qualified personnel may have a negative impact on Flerie's day-to-day operations, which in the long run may have a significant adverse effect on the Group's financial position and results. According to the Company's assessment, the probability of the risk occurring is low.

Risks related to Flerie's unlisted holdings

As of 31 March 2024, the unlisted holdings accounted for 76 per cent of the fair value of Flerie's portfolio, excluding other placements, cash, receivables and debt. Unlisted holdings may entail a higher liquidity risk than listed holdings, as shares in these companies are not traded on a marketplace and thereby may be more difficult to sell. In valuing unlisted holdings, Flerie uses the value in or makes assumptions about factors pertaining to the relevant portfolio company in the following order: latest investment; latest investment, adjusted; latest known transaction of participations; relative measurement/multiple valuation; statement of discounted cash flow or other measurement method. Unlisted holdings are also generally characterised by poorer financial and operational transparency and may therefore involve higher company-specific risks. When selling shares or other financial instruments in unlisted holdings, this may therefore be done at a value that is less than the estimated value of the asset. If the assessments, estimates and assumptions that have been made regarding unlisted holdings change, or if unlisted holdings in several companies are sold at a loss this could have a significant adverse effect on Flerie's business and financial position. According to Flerie's assessment, the probability of these risks occurring is low.

LEGAL RISKS

Flerie or its portfolio companies may be subject to various disputes or other legal proceedings

There is a risk that Flerie or one or more of Flerie's portfolio companies may be involved in legal proceedings related to its operations. Legal proceedings for the portfolio companies in the life science sector may in particular involve disputes on infringement of intellectual property rights or the validity of patents but may also involve other kinds of commercial disputes. Such disputes and claims may be time-consuming, disrupt day-to-day operations, involve significant sums of money or other matters of great importance to the Company. According to Flerie's assessment, the probability of these risks occurring for an individual portfolio company is medium, and if it they were to materialise, they could have a negative effect on the portfolio company's value and in turn an adverse effect on Flerie's results and financial position. However, if these risks would occur in several portfolio companies at once, it could have a significant adverse effect on Flerie's results and financial position. According to Flerie's assessment, the probability of such event is low.

Flerie is exposed to tax-related risks

Flerie handles tax issues in accordance with Flerie's assessment or interpretation of applicable tax laws, agreements, regulations and requirements from relevant tax authorities. These assessments have seldom or never been confirmed by competent authorities. There is a risk that the tax authorities in the countries in which Flerie is present, or will be present, may actively make assessments and make decisions that differ from Flerie's assessment or interpretation of relevant tax laws, agreements and regulations. Consequently, Flerie's tax position may change, as regards both previous years and the current year, as a result of the decisions made by the relevant tax authorities or as a result of changed tax legislation. Assessments of temporary differences must be made of tax exposure when a holding changes category between business-related and non-business-related holdings (so-called "character change"). Capital gains and dividends on business-related participations are tax-free. On the contrary, capital losses on business-related participations are not deductible. Flerie owns

shares in listed assets. These can be disposed of tax-free when Flerie has held at least ten per cent of the votes in the company in question for one year or more (i.e., are business-related). Flerie currently holds at least ten per cent of the votes in some of its listed portfolio companies. However, recent historical changes in investments could have delayed the "character change" in those listed assets. Moreover, future changes in holdings in listed assets may affect the Company's tax position and thus also its taxable and reportable profit for the relevant period. If Flerie's assessment of the applicability of the rules for tax exemption in relation to business-related participations is incorrect or its tax position changes, this may have a significant adverse effect on Flerie's results and financial position. According to Flerie's assessment, the probability of these risks occurring is low.

Flerie is considered to exclusively, or nearly exclusively, manage securities with the purpose of offering risk distribution to shareholders. In view of the ownership structure following the Transaction, it is not considered likely that the Company independently fulfils all the requirements to qualify as an investment company, based on the wording of the Swedish Income Tax Act. There are no precise risks in relation to a potential reclassification to investment company status for Flerie, but as it would result in a change in the tax position as well as implicit incentive to distribute dividends to its shareholders to reduce taxes on received dividends, it might impact the investment strategies of Flerie. According to Flerie's assessment, the probability of the risk of the Company qualifying as an investment company is low, but if it was to materialise, it could, depending on the Company's investment strategy, have a significant adverse effect on Flerie's results and financial position. A quantification of the potential negative impact if the risk was to materialise is mainly dependent on future holdings of securities and the extent of dividends received and paid by the Company.

FINANCIAL RISKS

Flerie may be unable to carry out investments due to lack of financing

Flerie may be unable to carry out investments as a result of Flerie failing to secure financing. If Flerie cannot invest in suitable portfolio companies, and the problem persists over time, significant effects on the Company's growth opportunities may occur. Further, if Flerie cannot invest in suitable portfolio companies, this may lead to Flerie failing to reach, or maintaining, a satisfying diversity of portfolio company holdings. According to Flerie's assessment, the probability of these risks occurring is low, but if it they were to materialise, it could have a significant adverse effect on Flerie's financial position.

Flerie is exposed to currency risks

Currency risk refers to the risk that the value of Flerie's assets varies because of changes in exchange rates. Risks related to changes in exchange rates arise as a result of purchases and sales in different currencies and in translating balance sheet items in foreign currency into SEK. Currency risk for Flerie is mainly due to the Company's investments in portfolio companies where the value of the investments is determined in another currency than SEK. As per the date of the Prospectus, twelve of Flerie's portfolio companies report in another currency than SEK. Amarna Therapeutics, EpiEndo Pharmaceuticals, Synerkine Pharma, Frontier Biosolutions, 3B Future Health Fund II and HealthCap Fund IX report in EUR; Geneos Therapeutics, KAHR Medical, Vitara Biomedical and Provell Pharmaceuticals report in USD; and Microbiotica and Prokarium report in GBP. It is, according to Flerie, plausible that a large change in the currency rates for EUR, USD, and GBP to SEK would affect the value of Flerie's investment in the relevant portfolio companies and in turn Flerie's net asset value. Flerie does not use financial instruments to hedge against exchange rate risks. The exchange rate for foreign currencies against SEK, including EUR, USD, and GBP, has fluctuated during the last few years, and despite Flerie's limited exposure to foreign holdings, the possibility cannot be excluded that any future exchange rate changes could have a very significant adverse effect on Flerie's financial position. For example, a 10 per cent weakening of EUR, USD and GBP against SEK would have an impact on the Company's net asset value (NAV) of approximately MSEK 118 for the period 1 January – 31 March 2024. According to Flerie's assessment, the probability of these risks occurring is high.

Flerie is exposed to price risks

Flerie's business is mainly based on investing in shares in listed and unlisted companies. The Company is therefore exposed to price risk in respect of shares held by the Company. A decline in the price of these investments may adversely affect the Company's results and balance sheet. Price risk in respect of shares include share price risk, liquidity risk and counterparty risk. Share price risk refers to the risk of decline in value due to changes in share valuations. Share price risk is mainly related to the valuation of the portfolio companies. Share price risks for the portfolio companies are not hedged. Liquidity risk may arise if shares held by the Company are difficult to sell at such times or on such terms as the Company anticipates. Counterparty risk consists of the risk that a party to a transaction with a financial instrument cannot fulfil its commitment and thereby causes the other party a loss.

According to Flerie's assessment, the probability of these risks occurring is medium, and if they were to materialise, they could have a significant adverse effect on Flerie's financial position.

Flerie is exposed to credit risks
Credit risk refers to the risk that a counterparty or issuer may not be able to fulfil its obligations to Flerie. Flerie is exposed to credit risk primarily through lending arrangements with portfolio companies. As per 31 March 2024, credits issued to portfolio companies amounted to MSEK 415, of which MSEK 34 are due for payment during 2024. If Flerie's measures to reduce credit risks are insufficient, or if one or more counterparties has financial difficulties, this may lead to losses for Flerie, which may have a significant adverse effect on Flerie's financial position. It can also entail that Flerie does not receive liquid funds in the extent necessary to meet Flerie's ongoing need for liquidity. According to Flerie's assessment, the probability of these risks occurring is medium, and if they were to materialise, they could have a significant adverse effect on Flerie's financial position.

Flerie's operations are associated with liquidity and financing risk
Liquidity risk refers to the risk of not being able to meet payment obligations as a result of insufficient liquidity or difficulties in raising external loans, and also to the fact that financial instruments cannot be disposed of, either at all, or without substantial additional costs, at a lower price or at a later point in time than initially planned. Financing risk arises if financing cannot be obtained, or if financing can only be obtained at increased costs, as a result of changes in the financial system. Flerie is subject to both direct and indirect liquidity risks and financing risks. The direct risks consist of the risk that the Company will not, if needed, be able to raise new capital from the capital market, or will not be able to meet its payment obligations at a certain time. Flerie Invest has, as borrower, on 16 October 2023 entered into a revolving credit facility of MSEK 120 with T&M Participation AB. As of the date of the Prospectus, there is no outstanding debt under the credit facility. After the expiry of the credit facility, there is a risk that Flerie cannot obtain financing at reasonable cost or on acceptable terms.

The indirect liquidity and financing risks furthermore consist of the risk that the portfolio companies may not be able to satisfy their obligations at a certain point in time, which in turn may adversely affect the value of the respective portfolio companies. There is a risk that Flerie may have to write down the value of its portfolio companies. As regards the risk that financial instruments cannot be disposed of, either at all, or without substantial additional costs, at a lower price or at a later point in time than initially planned due to insufficient liquidity, see further above under "*Risks related to Flerie's unlisted holdings*". If one or more of the risks described above occurred, they could have a significant adverse effect on the Company's results, financial position and operations. If Flerie is unable to meet its payment obligations, this could also make the Company's future financing more difficult. According to Flerie's assessment, the probability of these risks occurring is medium.

RISKS RELATED TO THE COMPANY'S SHARES AND THE ADMISSION

The market price of the share and limited liquidity
Since an investment in shares may fall in value, there is a risk that an investor will not recover the invested capital. The development of the share price depends on a number of factors and may for example be affected by supply and demand, changes in actual or expected results, changes in profit forecasts, regulatory changes and other factors, such as divestments of major shareholdings by shareholders. The price development of the share may furthermore be affected by factors such as the general economic climate. A weakened economy or a long economic downturn could adversely affect the value of Flerie's investment portfolio and thus also affect the price of Flerie's share in the same direction. The price of the Company's share may be volatile, and the difference between the selling price and the purchase price may be significant from time to time, which makes it more difficult for a shareholder to sell shares at a certain time at a price deemed satisfactory. According to Flerie's assessment, the probability of these risks occurring is medium, but if it were to materialise, it could have a highly significant adverse effect on investors' ability to realise the value of the shares held.

Existing shareholders' sales of shares may affect the share price
In connection with the Transaction, the Principal Shareholders, the board of directors and the senior management in the Company have undertaken not to sell or otherwise transfer their shares in the Company for a certain period of time following completion of the Transaction. This so-called lock-up period is a total of 360 days for the Principal Shareholders and 180 days for the board of directors and senior management of the Company. The transfer restrictions are subject to customary restrictions and exceptions, for example accept of an offer to all shareholders in the Company in accordance with the rules for Swedish public takeover bids, sale or other divestments of shares as a result of an offer from the Company to acquire its own shares, or in case transfer of shares is required by legal, administrative or juridical requirements. Furthermore, Carnegie may, if deemed appropriate in the individual case and after consultation with DNB, grant exemptions from the commitments and then the shares may be offered for sale. Once the respective lock-up period has expired, the shareholders covered by the lock-up are free to sell their shares. Significant sales of shares carried out by major shareholders, as well as a general market expectation that sales may be carried out, may lead to the

price of the Company's shares falling. If the price of the Company's shares falls, it may mean that an investor will not recover the invested capital. According to Flerie's assessment, the probability of the risk occurring is low, but if it were to materialise, it could have a highly significant adverse effect on the Company's share price.

Risks related to shareholders with significant influence

T&M Participation AB (previously Flerie Participation AB) and T&M Förvaltning AB (previously Flerie Förvaltning AB) are the Company's largest shareholders. T&M Förvaltning AB has a shareholding corresponding to 38.70 per cent of the total number of shares and votes in the Company and T&M Participation AB has a shareholding corresponding to 36.73 per cent of the total number of shares and votes in the Company. This means that the Principal Shareholders have a significant influence over the Company and most of the matters which are the subject of resolutions at the general meeting. Such matters include, for example, election of a board of directors, issuance of additional shares and share-related securities which may result in dilution for existing shareholders, as well as resolutions regarding any dividends or the sale of all or a significant part of the Company's assets. There is thus a risk that the ability of other shareholders to exercise influence in the Company through their voting rights may be limited or that they will not be able to exercise any influence at all. There is a risk that the interests of the Principal Shareholders may differ from, or conflict with, those of other shareholders and that the Principal Shareholders may exercise its influence over the Company in a manner which is not in the interests of other shareholders. There is a risk that conflicts may arise between shareholders due to differing interests, which may lead to a negative development of the Company's operations due to restrictiveness and delayed decisions and that minority protection rules may be actualised, which may lead to increased costs for the Company. Furthermore, there is a risk that the share price may be adversely affected if investors would regard it as disadvantageous to own shares in companies with strong ownership concentration. According to Flerie's assessment, the probability of these risks occurring is low, but if they were to materialise, they could have a very significant adverse impact on the Company's operations and/or ability to raise capital.

Risks related to future new share issues

In order to, inter alia, raise capital or enable investments, the Company may issue additional shares or share related instruments in the future. There is a risk that additional financing on satisfactory terms will not be available to the Company if it is needed or that it will not be available at all. Should the Company resolve to raise capital, for instance by issue of new shares, there is a risk that such issue of new shares could reduce the proportional ownership and share of voting power as well as profit per share for the shareholders in the Company. Moreover, such issues of new shares may adversely affect the market price of the Company's shares. According to Flerie's assessment, the probability of these risks occurring in the short to medium term is low, but if they were to materialise, it could have a significant adverse effect on the Company's existing shareholders, the Company's share price and/or ability to raise capital.

Shareholders outside of sweden may be subject to limitations that prevent or otherwise make participation in future rights issues difficult

If the Company issues new shares or other securities against payment in cash or through set-off, the shareholders have, as a general rule, preferential rights to subscribe for new shares in proportion to the number of shares held prior to the issue. However, shareholders in certain other jurisdictions than Sweden may be subject to limitations that prevent them from participating in such rights offerings, or that otherwise make participation difficult or limited. For example, shareholders in the US may be prevented from exercising their rights to subscribe for new securities which are not registered under the Securities Act of 1933 ("**Securities Act**") and if no exemptions from the registration requirements according to the Securities Act are applicable. Shareholders in other jurisdictions outside of Sweden may be similarly affected if the subscription rights or the new securities are not registered with the relevant authorities in such jurisdictions. The Company has no obligation to apply for registration under the Securities Act or apply for similar approvals according to the legislation in any other jurisdiction outside of Sweden with regards to securities and doing so in the future may be impractical and costly. To such extent shareholders of the Company in jurisdictions outside of Sweden may not exercise their rights to participate in rights issues, their proportional ownership in the Company will be diluted. According to Flerie's assessment, the likelihood of these risks occurring is medium and, if they were to materialise, they could have a significant dilutive effect on foreign shareholders.

Information on the shares that are being admitted to trading

The Prospectus relates to admission to trading of ordinary shares in Flerie on Nasdaq Stockholm. The shares have ISIN-code SE0008966295 and ticker FLERIE.

The Company's shares are denominated in Swedish kronor (SEK). The Company's shares are issued in accordance with Swedish law and the rights deriving from shares may only be changed through a change of the articles of association in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). *The Company's shares may be issued in two (2)* classes: ordinary shares and shares of series C. According to the articles of association, the Company may issue ordinary shares in a quantity corresponding to the entire share capital and shares of series C may be issued in a quantity corresponding to a maximum of five (5) per cent of the entire share capital. Shares of series C may be issued within the framework of the share redemption scheme further described in the section "*Share capital and ownership structure – Share redemption scheme*". As of the date of the Prospectus, no shares of series C have been issued. All shares are fully paid.

Each share entitles to one (1) vote at general meetings. At general meetings, each shareholder is entitled to vote for the full number of shares that the shareholder owns or represents. If the Company decides to issue new shares of all share classes issued, through either a cash issue or a set-off issue, shareholders generally have preferential rights to subscribe for shares of the same class in relation to the number of shares previously owned. If the Company decides to issue shares of only one class, through either a cash issue or set-off issue, each shareholder, without regard to different classes of shares, shall have a preferential right to subscribe for new shares in relation to the number of shares previously owned by them. If the Company decides to issue subscription options or convertibles, through either a cash issue or set-off issue, each shareholder shall have a preferential right to subscribe for the subscription options as if the issue was for the shares that may be subscribed for through the subscription options, and respectively, each shareholder shall have a preferential right to subscribe for the convertibles as if the issue was for the shares that the convertibles may be converted into. However, the general meeting, or the board of directors with support of an authorisation granted by the general meeting, may decide to deviate from the shareholders' preferential rights in accordance with the Swedish Companies Act.

Resolutions regarding dividends are made by the general meeting. Right to dividend rests with a person who, on the record date as determined by the general meeting or by the board of directors in accordance with an authorisation from the general meeting, is registered as owner of ordinary shares in the share register kept by Euroclear. Shares of series C do not entitle to dividends. The articles of association contain a so-called record day provision, and the Company and its shares are connected to the electronic securities system, VPS, with Euroclear as the central securities depository and clearing organisation. Euroclear administers the Company's share register, and no share certificates are issued. As of the date of the Prospectus, the Company's ordinary shares are listed on Nasdaq First North Growth Market. The Company has applied for admission to trading of the Company's ordinary shares on Nasdaq Stockholm. Planned first day of trading on Nasdaq Stockholm is 27 June 2024 and planned last day of trading on Nasdaq First North Growth Market is 26 June 2024. For further information on Flerie's shares, see the section "*Share capital and ownership structure*".

Background and reasons

BACKGROUND

Flerie is an active long-term global biotech and pharmaceutical investor based in Stockholm managing a portfolio of 32 investments in Europe, Israel, and the US. The focus is on enabling companies with pioneering innovations in drug development and related services to succeed by providing them with resources and expertise.

Flerie invests in companies across the entire value chain, providing exposure to three different segments: Product Development, Commercial Growth, and Limited Partnerships. The portfolio covers a wide range of areas, including immuno-oncology, metabolic diseases and biologics development and manufacturing organisations, which have the potential to make a significant impact on health and well-being.

Flerie Invest was founded in 2011 by Thomas Eldered, who co-founded and built one of the global top five drug manufacturers, Recipharm. Today, the expanded Flerie team is based in Sweden, UK, Belgium and Switzerland, which are consistently ranked among the highest performing biotech and pharma ecosystems in the world.

All team members in Flerie have operational experience from companies in the life sciences sector. The team leverages its financial resources, expertise and network to actively build Product Development and Commercial Growth companies, typically via board representation. Flerie also syndicates with investors from Europe, North America, and Asia and when appropriate for the Company´s mission can act as a limited partner in investment funds.

As an investment company, Flerie has the utmost respect for all stakeholders and strives to be described by them as a great partner. Ultimately and together with its partners, Flerie will enable biotech and medical solutions to make a positive impact on health and well-being worldwide.

FLERIE AB

Historically, Flerie AB, under the previous company name InDex Pharmaceuticals Holding AB, has been engaged in pharmaceutical development, focusing on immunological diseases. The Company's lead asset was the drug candidate cobitolimod, which was being evaluated in the phase III program CONCLUDE as a novel treatment of moderate to severe left-sided ulcerative colitis.

On 26 February 2024, the Company announced that the cobitolimod development program was discontinued, as data from the phase III programme did not show any results to support further development. Induction Study 1 of the phase III program CONCLUDE was discontinued on 21 November 2023 based on the advice from an independent Data Monitoring Committee (DMC). The DMC had performed a pre-specified and independent analysis including 130 patients who had completed the six-week induction study. A futility assessment showed that cobitolimod was unlikely to meet the primary endpoint upon completion of Induction Study 1. A thorough analysis of the data, including relevant subgroup analyses, concluded that the results did not support continued development of cobitolimod. The lack of efficacy in cobitolimod treated patients was confirmed by the outcome in secondary endpoints and subgroup analysis. In connection therewith, the Company announced that it would also not proceed with development of any of its other compounds, and that the Company had started evaluating options for its future. The Company decided, with support from an external financial advisor, that the best way forward to maximise shareholder value was to proceed with Flerie Invest in the form of a so-called reverse merger. The Company has since discontinued all business conducted prior to the Transaction, and terminated all agreements related therewith; including, e.g., commercial agreements and employment agreements. In connection with the Transaction, the Company changed its legal name from InDex Pharmaceuticals Holding AB to Flerie AB.

TRANSACTION

In light of the above, on 20 May 2024 the Company entered into an agreement with the shareholders of Flerie Invest to achieve a reverse merger of the Company (the "**Transaction**"). The Transaction was carried out by way of a directed share issue of 6,073,952,948 ordinary shares in the Company, resolved upon by the extraordinary general meeting of the Company on 10 June 2024, against consideration in kind, whereby the shareholders of Flerie Invest subscribed for the newly issued shares in the Company in exchange for all outstanding shares in Flerie Invest. Following the Transaction, Flerie Invest is a wholly owned subsidiary of the Company and the former major shareholders of Flerie Invest are major shareholders in the Company. Furthermore, following the Transaction, the entire business of the Group consists of the business conducted by Flerie Invest prior to the Transaction.

In the Prospectus, "**Flerie**", the "**Company**" or the "**Group**" refers to, depending on the context, Flerie AB, the group in which Flerie AB is the parent company or a subsidiary in the group. "**Flerie Invest**" refers only to Flerie Invest AB, or, depending on the context, the group in which Flerie Invest previously was the parent company prior to the Transaction. "**InDex**" refers to the Company or, depending on the context, the Group prior to the Transaction.

In connection with the Transaction, the Company carried out a directed share issue of 1,200,000,000 ordinary shares at a subscription price of SEK 0.506 per share to a number of qualified investors, raising proceeds of approximately MSEK 607.2 before transaction costs (the "**Capital Raise**"), and implemented a share redemption scheme for its shareholders. Flerie intends to use the net proceeds from the Capital Raise to fulfil its capital commitments, make add-on investments in current portfolio companies to accelerate their development and to improve the liquidity. In order to achieve an appropriate number of shares for the Company, the extraordinary general meeting on 10 June 2024 also resolved upon a reverse share split (1:100), whereby the number of shares shall be reduced by combining one hundred (100) shares into one (1) share (the "**Reverse Share Split**"). Based on the authorisation granted by the general meeting, the board of directors intends to determine the record date for the Reverse Share Split after the Admission.

Flerie's board of directors and management believe that the contemplated listing on Nasdaq Stockholm together with a broadening of the Company's shareholder base, will promote Flerie's continued growth and development, inter alia, by extending the Company's financing options and providing access to Swedish and international capital markets. As a result, more sources of funding will be made available to support the Company's continued investments. A broadening of the Company's shareholder base means increased credibility and awareness as well as a quality stamp which the Company believes may be beneficial in order to attract important investments and partnerships for portfolio companies.

The board of directors of Flerie AB is responsible for the contents of the Prospectus. It is hereby assured that, to the best of the board of directors' knowledge, the information contained in the Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

Stockholm, 26 June 2024

Flerie AB

The board of directors


VA PIANO

Market overview

The Prospectus contains certain market and industry data that comes from third parties. Unless otherwise stated, such information is based on an analysis of several sources, including public information from IQVIA, OECD, Eurostat and UN DESA, as well as other publicly available information. Third party information has been restated correctly and, as far as the Company is aware and can ascertain through other information made public by third parties, no facts have been omitted which would render the information restated erroneous or misleading. The Company considers these external sources to be reliable but has not independently verified the correctness or completeness of them and can therefore not guarantee that the information is correct or complete. Accordingly, forecasts and forward-looking statements in the Prospectus do not constitute guarantees for future outcomes and actual events and circumstances may differ substantially from current expectations.

INTRODUCTION AND BACKGROUND

Prior to the Transaction, the Company was engaged in pharmaceutical development, focusing on immunological diseases. However, following the Transaction and the discontinuation of the business previously conducted by InDex, as further described in the section "*Background and reasons*", the entire business of the Group consists of the business conducted by Flerie Invest prior to the Transaction. Thus, the information contained in this market overview is solely focused on the markets in which Flerie Invest was operating before the Transaction, and consequently in which the Group is operating as of the date of the Prospectus.

Flerie is an active long-term global biotech and pharmaceutical investor based in Stockholm managing a portfolio of 32 investments in Europe, Israel, and the US. The focus is on enabling companies with pioneering innovations in drug development and related services to succeed by providing them with resources and expertise.

Flerie invests in companies across the entire value chain, providing exposure to three different segments: Product Development, Commercial Growth, and Limited Partnerships. The portfolio covers a wide range of areas, including immuno-oncology, metabolic diseases and biologics development and manufacturing organisations, which have the potential to make a significant impact on health and well-being.

DRIVING FORCES FOR MARKET GROWTH

Supportive long-term megatrends

Several factors suggest that global demand for new medicines and medical technology will continue to increase for the foreseeable future. These factors include, inter alia, an ageing population, an increased prevalence of chronic diseases and life style diseases and a growing proportion of many countries' gross domestic product (GDP) being spent on healthcare.

Ageing population and increased prevalence of chronic diseases

As shown in the figure "Ageing population" below, the world is facing a significant demographic change in which the global population of elderly people, age 50 or older, is expected to increase by 11 percentage points, from 24 per cent to 35 per cent, between 2021 and 2060. This is a result both of increasing life expectancy but also falling fertility levels. According to the UN, for the first time in history, individuals aged 65 or above now outnumber children under five years of age globally.[1] The ageing population is expected to increase the prevalence of lifestyle related diseases such as cardiovascular disease and type II diabetes, as well as diseases that are more common in the elderly, such as dementia and cancer.

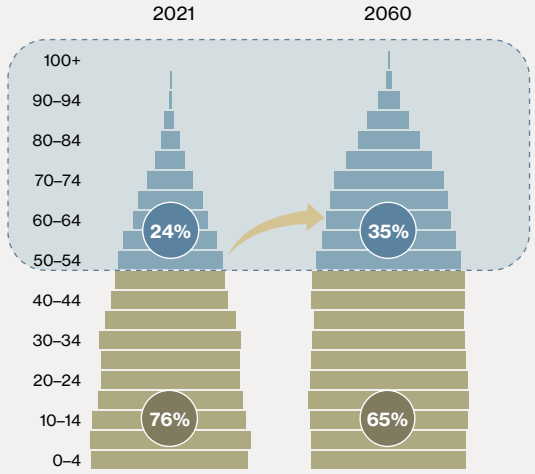
1) UN Population forecast 2022.

Increased prevalence of lifestyle diseases

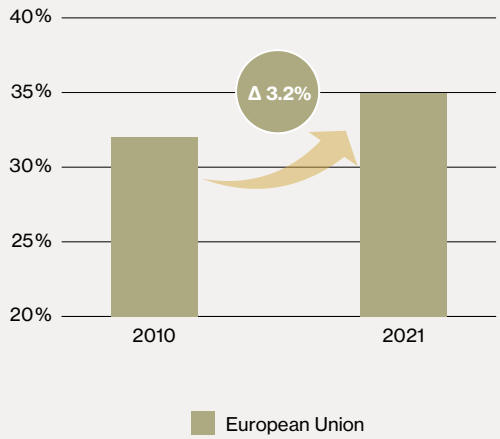
There is an increase in so called lifestyle diseases globally, such as heart disease, obesity, type 2 diabetes and stroke. In the United States, one in three have metabolic syndrome. Healthy lifestyle changes are the first line of treatment, as contributing factors include lack of physical activity, unhealthy eating behaviours, and not getting enough good-quality sleep, amongst others.[1] It is important to note that many of these risk factors are modifiable, however, this contributes to significant morbidity and mortality.

This in turn increases the demand for medicines and medical innovations. As demonstrated in the figure "Prevalence of chronic disease" below, statistics show that the prevalence of chronic diseases, i.e., the proportion of the population living with one or more chronic conditions or long-term health problems, increased by 3.2 per cent in the EU between 2010 and 2021.[2] This has in turn led to, and is expected to continue leading to, an increased demand for medicines and medical technology.

Ageing population[3]



Prevalence of chronic disease[4]



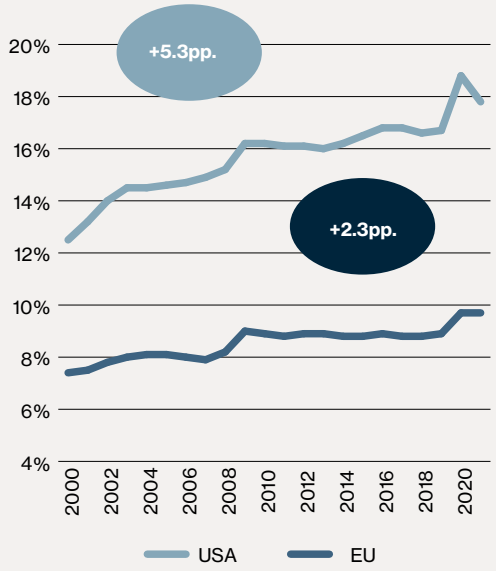
Increasing healthcare expenditure

A consequence of the major demographic and health-related changes described above is that many countries' total healthcare expenditures are becoming an increasing proportion of their gross domestic product (GDP).[5] As demonstrated by the figure "Healthcare expenditure increasing as % of GDP" below, healthcare expenditures in the US and EU grew by 5.3 percentage points and 2.3 percentage points, respectively, between 2000 and 2020.

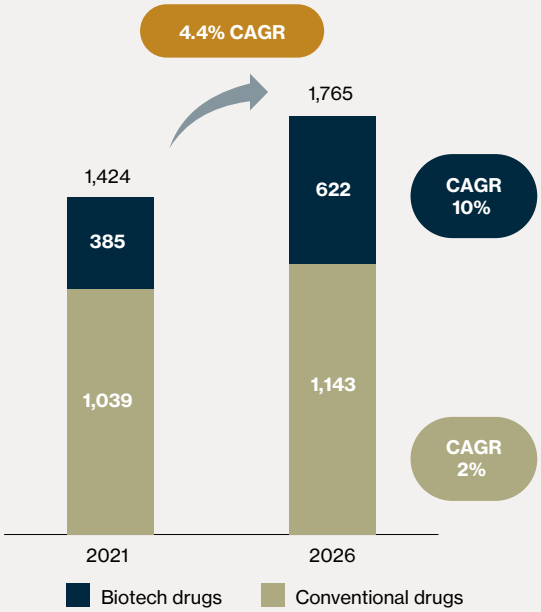
Forecasts furthermore suggest an overall increased global spending on medicine, including conventional drugs as well as biotech drugs. Between 2021 and 2026, the compound annual growth rate (CAGR) of the conventional drugs sector (mostly small molecule drugs) is expected to be 2 per cent, while the corresponding number for the biotech drugs sector, which is Flerie's primary investment focus, is anticipated to be 10 per cent, or 60 per cent for the whole period. In total, the global total medicine spending is expected to increase by 4.4 per cent annually (CAGR) between 2021 and 2026, or 25 per cent for the whole period.[6] This indicates a strong growth in the life science sector over the coming years.

1) National Heart, Lung, and Blood Institute – Metabolic Syndrome – Treatment.
2) Eurostat, https://ec.europa.eu/eurostat/databrowser/view/HLTH_SILC_04/default/table?lang=en, accessed 2024-04-28.
3) UN Population forecast 2022.
4) Eurostat, https://ec.europa.eu/eurostat/databrowser/view/HLTH_SILC_04/default/table?lang=en, accessed 2024-04-28.
5) OECD.Statistics, https://stats.oecd.org/Index.aspx?DataSetCode=SHA, accessed 2024-04-28.
6) IQVIA – The Global Use of Medicines 2022.

Healthcare expenditure increasing as % of GDP[1)]



Global total medicine spending, USD billion[2)]

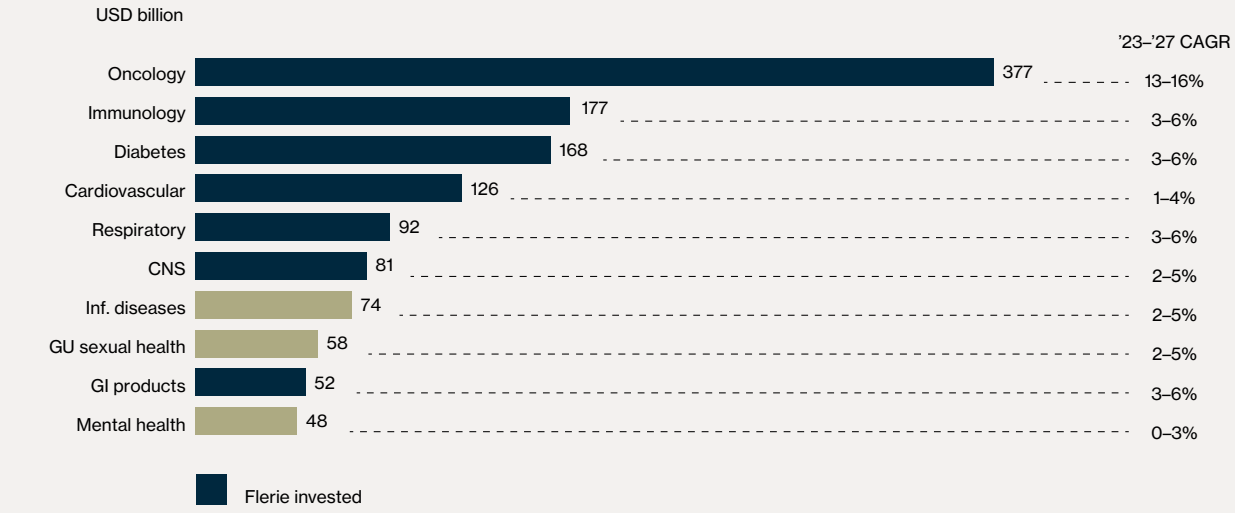


Strong growth in several of Flerie's areas

As described above, forecasts suggest a strong general growth in the life science sector and an increasing demand for medicines. While growth in a specific area is often an important factor for Flerie when making investment decisions, it can also entail certain disadvantages which may need to be considered (such as a high degree of competition). Flerie therefore strives to identify the most attractive investments without relying too much on growth in a particular area alone. However, forecasts suggest a strong growth in several of Flerie's areas. The figure below shows the anticipated top ten global therapy areas' spend in 2027, of which Flerie has invested in seven. For example, the global spending within oncology is expected to increase by 13–16 per cent annually (CAGR) between 2023 and 2027, and the global expenditure within diabetes is expected to increase by 3–6 per cent annually (CAGR) during the corresponding period. The illustration below demonstrates the expected top global therapy areas spend in 2027.[3)]

1) OECD.Statistics, https://stats.oecd.org/Index.aspx?DataSetCode=SHA, accessed 2024-04-28.
2) IQVIA – The Global Use of Medicines 2022.
3) IQVIA – The Global Use of Medicines 2022.

Top 10 global therapy areas spend in 2027

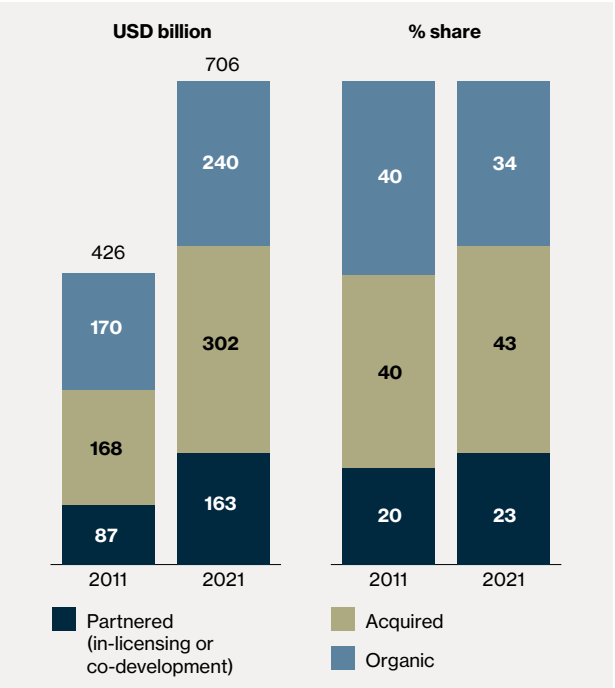


A continued high innovation activity

According to Flerie's assessment, a continued high innovation activity in the life science sector is to be expected. In December 2022, there was more than USD 1,400 billion available for dealmaking in biopharma alone.[1)] With the next patent cliff approaching, big pharma is in need of replenishing their patent portfolios.[2)] Around 50 per cent of the revenues of the ten largest global pharma companies, or approximately USD 250 billion, will be at risk through 2026.[3)] In 2020, more than 45 per cent of the drugs in the pipelines of the 20 biopharmaceutical companies with the biggest R&D budgets were sourced externally via acquisitions and partnerships[4)] and over the last decade, the biopharmaceutical industry has completed approximately 600 M&A deals for a total of USD 1,600 billion.[5)]

A survey of national R&D-driven health biotech sectors rank Sweden as the second-leading centre for R&D-driven biotech, following Switzerland as leading country, and before the US being ranked as third.[6)] The measured criteria include an assessment of public companies, investments, research, education and translation. In addition, structural costs are approximately 40 per cent lower in Europe than in the USA.[7)]

The figures below show the industry revenues from new molecular entities by acquisition strategy, which have increased between 2011 and 2021 (measured in USD billion) in all three strategies shown: partnered (in-licensing or co-development), acquired and organic.[8)]



1) EY – 2023 M&A Firepower Report.
2) Scrip Pharma Intelligence – The Next Big Patent Cliff is Coming, And The Time Is Running Out to Pad The Fall.
3) Kearney – Refuelling the pipeline: how pharma can up the dose on R&D.
4) McKinsey & Company – Innovation sourcing in biopharma.
5) Pharma Intelligence – A decade of Biopharma M&A and Outlook for 2020.
6) Nature – The Worldview national ranking of health biotech sectors.
7) McKinsey & Company – Biotech in Europe: A strong foundation for growth and innovation.
8) McKinsey & Company – Innovation sourcing in biopharma.

INVESTING IN LIFE SCIENCE AND BIOTECHNOLOGY

Life science is a term often used when referring to the pharmaceutical, biotechnology, and medical device sectors. Life science is perceived by many as inaccessible, due to its inherent complexity and the deep knowledge required when evaluating new therapies and technologies under development. There are also a number of associated risks (please see the section "*Risk factors*"). For a knowledgeable investor who is able to navigate in this environment, the area presents many opportunities with a high potential return if successful. Despite the advances within the medical field over the past century, there remains a plethora of significant unmet medical needs, both in large disease areas such as diabetes, cancer and heart failure, but also in rarer conditions where there are no effective treatments for patients today.[1)]

Biotechnology ("**biotech**") is a growing area within the traditional pharmaceutical sector that describes the use of biological systems, living organisms or parts of this to develop or create biological drugs ("**biologics**"). Examples of these include monoclonal antibodies (such as the novel checkpoint inhibitors transforming cancer care), peptides (such as the GLP-1 agonists in diabetes and the obesity field), and the new cell- and gene therapies entering the market in recent years. These novel biologics are typically much larger than the traditional small-molecule drugs developed by chemical synthesis and are often very complex to produce.

The manufacturing process for biotech drugs has a major impact on the final product and is a key component of an authorisation. Therefore, testing of both the drug substance and the final product must be combined with manufacturing processes and process controls to ensure product quality[2)]. Flerie has experience in tackling these challenges, given the team's pedigree from both the development side, but equally important the manufacturing side, bringing in the CMC (chemistry, manufacturing and controls) perspective from the start.

The research and development efforts are often very costly and require significant amounts of funding (see the section "*Market Overview – The financial landscape supporting the R&D process up until market launch*"). This can come in many shapes and forms, ranging from research grants which have non-dilutive effects for current shareholders to equity funding from venture capital firms at the early stages. Medium and large pharma companies often make deals during the later phases of development, through collaborations, licensing agreements or acquisitions. The general aim is to conduct the drug development process in a risk-minimised and capital-efficient manner. The process includes several steps to evaluate safety and efficacy, starting off in the discovery phase where experiments are performed in a laboratory setting, followed by pre-clinical animal studies, before finally embarking on several phases of clinical trials in humans. The final goal is to obtain regulatory and market approval, making the drugs available to patients. It is a highly regulated environment and can take many years, but once a drug is approved the market potential can be substantial.

HOW TO DEVELOP A NEW MEDICINE

To develop a new medicine, the product normally goes through different stages of pre-clinical and clinical testing.

Discovery phase

The discovery phase is aimed at identifying relevant target and relevant compounds for a specific disease. Technological experiments are performed in a laboratory/test tube setting only and thus the company is far from picking a lead candidate drug. Flerie rarely invests at this stage.

Pre-clinical phase

Once a technology gives consistent results in the laboratory setting, one can move to test different candidate drugs in an animal system, which is much more complex and unpredictable compared to a controlled laboratory test tube environment. From running animal models, a lead candidate drug can be chosen, and important feasibility studies can be conducted, and drug safety data (safe dose) are collected. This phase may also include studies in non-human primates that are most similar to humans. Flerie may enter at the end of this preclinical stage when there is efficacy data in relevant animal studies.

Phase I

During Phase I, the first testing in humans is conducted, primarily to evaluate safety. The drug is given in increasing doses to a small number of healthy volunteers who are closely monitored. Depending on the indication, some early efficacy signals may also be seen in phase I if tests are carried out in patients. Flerie often invests at this stage.

Phase II

During phase II, the studies are typically larger than in phase I, and crucially these trials involve patients that have the disease in question. Phase II trials allow monitoring of how a drug works in the body, and to gather initial data on efficacy, even if such trials are rarely powered (large enough) to get statistical significance in the results obtained.

1) Medical News Today, https://www.medicalnewstoday.com/articles/future-of-huntingtons-disease-treatment#:~:text=Huntington's%20disease%20is%20a%20progressive,nerve%20cells%20in%20the%20brain, accessed 2024-04-28.
2) https://www.vinnova.se/publikationer/sveriges-innovations--och-produktionskapacitet--for-vaccin-och-andra---biologiska-lakemedel/, accessed 2024-06-19.

Phase III

During phase III, a larger trial is conducted in patients to test efficacy and safety, in a way that is powered (large enough) to ascertain if the drug will work in many different patients in different life situations. Pivotal phase III trials (or registration trials) provide the key data on efficacy to support submissions for regulatory approval. Flerie rarely enters at this stage or later, due to the significant costs associated with running such (often) large trials across multiple centers and geographies. Companies at this stage tend to have high valuations.

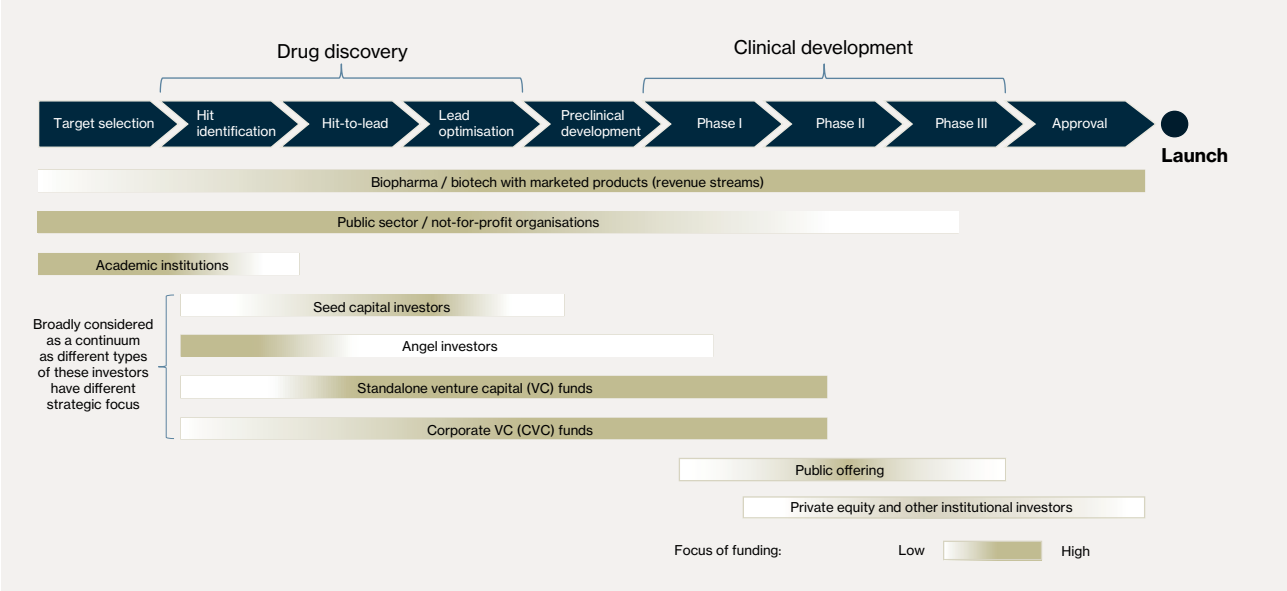
Phase IV

During phase IV, studies are undertaken after a drug has been marketed, to gather further safety or efficacy data in routine clinical use or to expand the regulatory label to other indications or a subset of patients (e.g. children). Flerie does not invest at this stage unless it is in a company in the Commercial Growth segment.

THE FINANCIAL LANDSCAPE SUPPORTING THE R&D PROCESS UP UNTIL MARKET LAUNCH

The drug development process is costly, and it takes many years for a drug to reach the market – pharmaceutical R&D is a USD 300 billion market.[1)] There are multiple stakeholders within the financing landscape, both from the public and private sector. New discoveries often come from the academic setting at universities and research institutes. The drug discovery and early pre-clinical phases of development are commonly financed by the institutions themselves or other public sources such as research grants from not-for-profit-organisations. A company may be formed at this stage. Following this, various forms of private capital may enter the picture, including smaller equity investments from seed and angel investors who are often previous entrepreneurs or high net worth individuals investing as syndicates. Venture capital firms commonly invest in late pre-clinical projects or more commonly when the drug candidate is in early clinical trials, which require larger amounts of capital, often doing so alongside others to spread risk. To put this into perspective, Phases I, II, and III typically cost MUSD 20–40, MUSD 40–60, and MUSD 150–210 and upwards, respectively.[2)] Privately held biotech and pharmaceutical companies often approach the public markets via an IPO (Initial Public Offering) in order to finance the final most expensive phases of drug development, where trials are performed in very large patient groups. Various partnership or licensing agreements can be struck at any point with pharma companies, who often acquire the assets (or the companies as a whole), before the drug is approved or the company reaches an IPO. An example of this was when Flerie's portfolio company Cormorant Pharmaceuticals was acquired by Bristol Myers Squibb in 2016 for a total consideration of up to MUSD 520, with a phase I/II asset, where early licensing discussions led to an outright acquisition. In cases of a clear and near-term commercial opportunity or at an early commercial phase where market share is being built, private equity firms may also invest.

The illustration below shows the financing landscape superimposed onto the drug development process.[3)]



1) SiRM, L.E.K. Consulting & RAND Europe, The financial ecosystem of pharmaceutical R&D: An evidence base to inform further dialogue, 2022.
2) SiRM, L.E.K. Consulting & RAND Europe, The financial ecosystem of pharmaceutical R&D: An evidence base to inform further dialogue, 2022.
3) SiRM, L.E.K. Consulting & RAND Europe, The financial ecosystem of pharmaceutical R&D: An evidence base to inform further dialogue, 2022.

Investor features

Academic institutions: Primarily invest in projects and initiatives related to their educational and research mission often prioritising social and academic impact above financial return.

Angel Investors: Angel investors are usually wealthy individuals who invest their personal funds in startups and early-stage companies providing not only capital but mentorship, networks and expertise to start-ups. Generally willing to take a higher risk for potential higher returns. Investment amounts vary but generally significantly less than venture capital firms and usually not sufficient to take products into clinical development.

Charities and Foundations: Not for profit organisations that raise funds to support specific social, cultural, or humanitarian causes and invest or provide grants to companies working in disease specific projects aligned to their mission.

Venture Capital (VC): Provide capital to startups and early-stage companies with high growth potential. Venture capital investors often play an active role in guiding and shaping the companies they invest in, including board seats. They seek opportunities for a profitable exit through mechanisms like IPOs (Initial Public Offerings) or acquisitions after that the company has generated clinical data.

Private Equity (PE): Private equity investors focus on more mature profitable companies, often looking to acquire and restructure them for growth or operational improvement. Usually taking a controlling interest, they have a high level of operational involvement with the aim of increasing the value over several years before selling them.

Flerie's place in the financing landscape

Flerie works closely with several types of investors at different stages of a portfolio company's development. When Flerie enters into a Product Development company at a preclinical stage, it is because a significant stake in such company can be acquired for a relatively modest investment, and because, in contrast to earlier stages, there is some scientific data that shows promise. At this stage, Flerie works closely with existing shareholders such as founders and angel investors and co-invests alongside institutional venture capital funds. The shareholder influence of founders and angel investors reduces as more capital is needed and by the time a company has raised funding for clinical trials it is usual to have built a more professional board of directors, to which persons are nominated by Flerie and its institutional co-investors. This is a very important transition that enables companies to not only continue their R&D efforts, but also prepare for strategic partnerships with other pharmaceutical companies, which later may result in M&A activities.

Unlike traditional venture capital funds, Flerie as an evergreen investor investing off its own balance sheet, can continue to build value without needing to close a fund and return capital to external parties. Flerie can also stay with a Product Development company into its journey as a Commercial Growth company. Shortly before or at such a commercial stage, Flerie co-invests with private equity investors. Such a transition from Product Development to Commercial Growth is much more likely in niche indications and less likely in large indications such as diabetes or heart disease. However, and where possible, staying invested until later stages means that Flerie can capitalise on the full value of its earlier investments. In addition, being invested in the commercial growth phase, as well as co-investing with private equity firms and big pharma companies, Flerie is being exposed to the entire value chain.

Business description

OVERVIEW

Prior to the Transaction, the Company was engaged in pharmaceutical development, focusing on immunological diseases. However, following the Transaction and the discontinuation of the business conducted by InDex, as further described in the section "*Background and reasons*", the entire business of the Group consists of the business conducted by Flerie Invest prior to the Transaction. Thus, the information contained in this business description is solely focused on the business conducted by Flerie Invest prior to the Transaction, and consequently conducted by the Group as of the date of the Prospectus.

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Flerie Invest was founded in 2011 by Thomas Eldered, who also co-founded and built Recipharm to be one of the world's top five pharmaceutical contract manufacturers.

HISTORY

The following is a brief summary of major events in Flerie Invest.[1)]

2011 Flerie Invest is established.
Initial investment in Cobra Biologics.

2012 Initial investments in Cormorant Pharmaceuticals and KAHR Medical.

2013 Initial investments in Empros Pharma, Provell Pharmaceuticals and Symcel.

2014 Initial investments in Chromafora[2)] and Nanologica. Initial investment in Prokarium (spun-out from Cobra Biologics).

2016 Initial investments in OxThera, Vironova and Wilson Therapeutics.
Sale of the holding in Cormorant Pharmaceuticals.

2017 Initial investments in Atrogi[3)], Egetis Therapeutics[4)] and Sixera Pharma[5)].

2018 Initial investments in Amarna Therapeutics and Beactica Therapeutics.
Sale of the holding in Wilson Therapeutics.

2019 Sale of the holding in Cobra Biologics.

2021 Initial investments in Buzzard Pharmaceuticals, EpiEndo Pharmaceuticals, Eurocine Vaccines, Lipum, NorthX Biologics, Synerkine Pharma, Toleranzia and Xspray Pharma.

2022 Initial investments in A3P Biomedical, Alder Therapeutics, AnaCardio, Bohus Biotech, Geneos Therapeutics, Microbiotica, Strike Pharma, Vitara Biomedical, Xintela, XNK Therapeutics. Initial investment in 3B Future Health Fund II. Write down of the entire value of OxThera and Vironova[6)].

1) Please note that the summary is not exhaustive.
2) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.
3) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
4) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021. By the time of the initial investments, Egetis Therapeutics AB (publ)'s company name was PledPharma AB (publ).
5) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.
6) The write-down in Oxthera was due to a failed phase III study in 2021. The write-down in Vironova was due to failure to refinance and pay off maturing debt. Vironova has thereafter filed for bankruptcy.

2023 Initial investments in HealthCap Fund IX and Alder Fund III. Initial investment in Mendus and Frontier Biosolutions. Write down of the entire value in Eurocine Vaccines and Beactica Therapeutics[1].

2024 Write down of the entire value of XNK Therapeutics[2] and EpiEndo Pharmaceuticals[3]. Flerie Invest carries out a reverse merger of the Company, creating the new entity Flerie AB.

Flerie carries out a directed share issue comprising 1,200,000,000 new ordinary shares in the Company to certain Swedish and international institutional investors, raising approximately MSEK 607.2 before transaction costs.

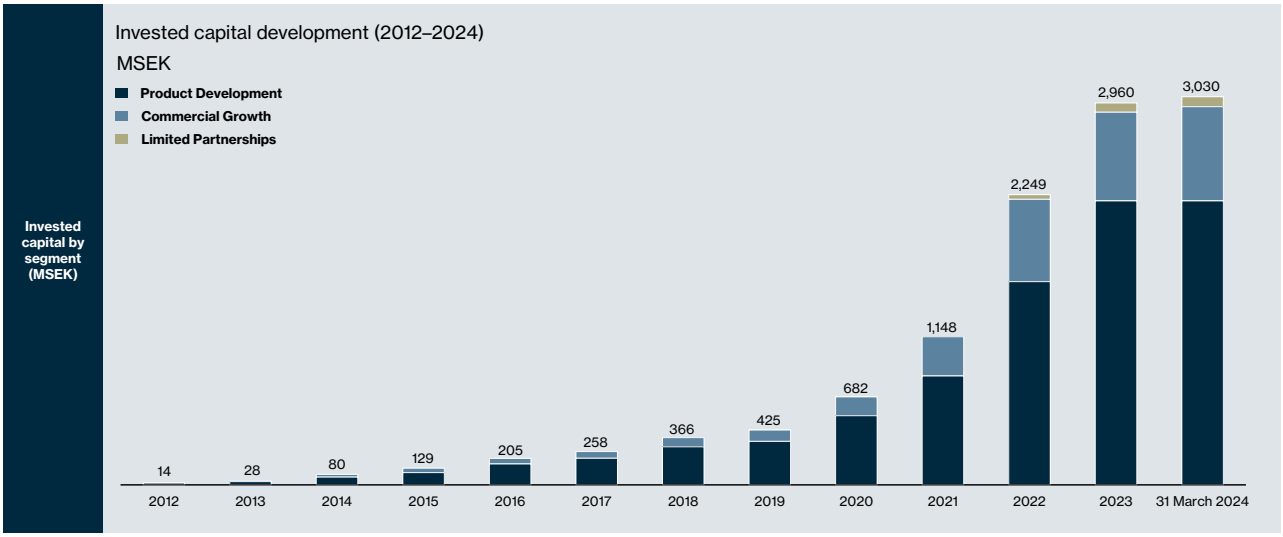
Since its founding in 2011, Flerie Invest has demonstrated a strong track record of value creation, despite the use of a conservative valuation methodology.[4] Between 2011 and 2023, Flerie Invest's portfolio had an average internal rate of return (IRR) of 13.8 per cent per annum[5], and total capital gains from divestments amounted to MSEK 1,186[6]. The table below shows the fair value and net invested capital as of 31 December 2023, and the IRR (%) per year between 2011 and 2023.

MSEK	Fair value as of 31 December 2023[7]	Net invested capital as of 31 December 2023[8]	IRR, (%) per annum
Product Development	2,069	1,790	8.7%
Commercial Growth	715	–66	16.6%
Limited Partnerships	71	72	–
Total	**2,856**	**1,796**	**13.8%**

1) The write-down in Beactica Therapeutics was due to one of the main owners was forced to divest its shares and sold to a significantly lower valuation than the previous financing round. The write-down in Eurocine Vaccines was due to a significant decrease in share price and with a lock-in clause which made Flerie Invest unable to divest its shares.
2) The write-down in XNK Therapeutics was due to a failure to raise sufficient funds. In April 2024, XNK Therapeutics filed for bankruptcy.
3) The value of the shares of EpiEndo Pharmaceuticals was initially fully written down due to a setback in the company's phase IIa study, which failed to show that EP395 affects epithelial integrity. After further analysis of the data and taking into account that the study showed safety and tolerability as well as favourable effects on inflammatory biomarkers, the decision was made to continue development.
4) The valuation methodology can be described as conservative as the Company does not revalue the portfolio companies between financing rounds, but instead awaits the revaluation until the next financing round of the relevant portfolio company, despite the fact that the companies are developing according to plan and possibly passing a value-enhancing inflection point. As a result, the Company receives more substantiated valuations.
5) Internal rate of return is an alternative performance measure derived from Flerie Invest's internal accounts and is unaudited. For more information, see the section "*Selected historical financial information – Key figures*". The development of IRR has mainly been affected by the divestments of Cobra Biologics and Cormorant Pharmaceuticals with payments received in 2016, 2018 and 2020.
6) Capital gains is an alternative performance measure derived from Flerie Invest's internal accounts and is unaudited. For more information, see the section "*Selected historical financial information – Key figures*".
7) Fair value of shares in portfolio companies is an alternative performance measure and a balance sheet item in Flerie's audited accounts. For more information, see the section "*Selected historical financial information – Key figures*". In the balance sheet, investments in Provell Pharmaceuticals are not included as the company is financed by pure loans. However, in this table and other information in the section "*Business description*", investments in Provell Pharmaceuticals are included. As of 31 December 2023, investments in Provell Pharmaceuticals amounted to a total of MSEK 52.7.
8) Net invested capital is an alternative performance measure derived from Flerie Invest's internal accounts and is unaudited. For more information, see the section "*Selected historical financial information – Key figures*". The Company's investments in convertibles in the portfolio companies, amounting to a total of MSEK 85 during the financial year 2023, are not included. The Company's investment in Provell Pharmaceuticals is included.

The illustration below demonstrates the historical development of Flerie Invest's invested capital[1] in the current portfolio until and including 31 March 2024.

Historical development of invested capital



Source: Company information. Figures as of 31 March 2024

VISION

Flerie shall be recognised as an innovative enabler of biotech solutions with the potential to make a significant positive impact on health and well-being in society.

MISSION

Flerie invests in and build companies with pioneering life science technologies, primarily focused on pharmaceutical and biotech projects or adjacent capabilities to deliver long-term value creation for its shareholders. The Company shall differentiate itself by using its network, expertise and resources to achieve enduring success for its companies. The Company has the utmost respect for all its stakeholders and strives to be described by them as a great partner.

FLERIE'S OBJECTIVES

To achieve its vision, Flerie wants its portfolio companies to succeed in ultimately bringing their drugs and services to patients or end users and make a positive impact on health and well-being in society. Following the Company's mission, Flerie will use its investments and network of partners to contribute to its vision.

Generate and deploy capital to enhance Flerie's competitive advantages

Flerie strives to generate and deploy more capital to build on its competitive advantages. Providing liquidity and access to difficult-to-access companies provides opportunities to the generalist investor and even specialist investor who wish to invest in more pioneering innovations. Flerie's deployment of competent, long-term capital without the requirement for premature exits, in combination with its active, yet lean portfolio management approach, aims to ensure deployed capital will provide returns for shareholders.

Continue building the Flerie ecosystem

Flerie seeks to build its portfolio companies and facilitate greater synergies between them as well as with external companies. The Company will continue expanding its international investor, private equity and big pharma network, and through that strives to generate further value through attracting co-investment and partnership deals.

1) Invested capital is an alternative performance measure derived from Flerie Invest's internal accounts and is unaudited. For more information, see the section "*Selected historical financial information – Key figures*". The illustration includes investments in convertibles in portfolio companies that the Company expects to be converted into shares, which amounted to MSEK 8 in 2021, MSEK 23 in 2022, MSEK 85 in 2023 and MSEK 22 during the period 1 January - 31 March 2024. Flerie Invest's investments in companies whose value has been written off as of the date of the Prospectus, i.e., Beactica Therapeutics (investments amounting to MSEK 7 as of 31 December 2021, MSEK 8 as of 31 December 2022 and MSEK 8 as of 31 December 2023), Eurocine Vaccines (investments amounting to MSEK 6 as of 31 December 2021, MSEK 11 as of 31 December 2022 and MSEK 11 as of 31 December 2023), Oxthera (which was not included in the portfolio during the financial years 2021, 2022 or 2023), Vironova (investments amounting to MSEK 19 as of 31 December 2021, but not included portfolio in the financial years 2022 or 2023) and XNK Therapeutics (investments amounting to MSEK 0 as of 31 December 2021, MSEK 107 as of 31 December 2022 and MSEK 107 as of 31 December 2023), respectively.

Retain and grow talent for active ownership
Flerie shall seek to be active in portfolio companies through team members involvement whilst still maintaining a lean organisation and operating cost. This requires top talent and in order to retain, grow and attract this, the Company will offer exciting tasks to team members, encourage new learnings and reward high performance.

Corporate social responsibility (CSR)
Flerie shall invest in pioneering science and help translate technologies into innovations for greater health and wellbeing in society, as well as improving environmental sustainability. This requires the Company team to look for investment opportunities that directly or indirectly solve unmet medical needs or environmental challenges.

INVESTMENT STRATEGY

Flerie invests in pioneering science, where the Company's deep sector knowledge enables it to be an active owner of companies in different disciplines and phases of development. Flerie reduces the risks in the portfolio by investing mainly in the areas of expertise of its employees and by spreading the investments over several companies at different stages of development, geographies, technologies and disease indications. The Company has set out the following investment principles.

Investment principles

Passionate teams and strong organisations
In the Product Development segment, Flerie invests in passionate teams with an ambition to impact society, and who have practical scientific and industrial experience. In the Commercial Growth segment, Flerie invests in professional organisations with experienced teams ready to accelerate the commercial expansion.

Areas
Flerie invests predominantly in the drug development field, including related devices and services. The Company furthermore focuses on modalities such as cell and gene therapy, biologics and small molecules and manufacturing services.

Setting
Flerie primarily invests in private companies. In addition, the Company invests selectively in listed companies, and rarely in investment funds as a limited partner.

Horizon
Flerie's evergreen structure allows long-term value creation in its portfolio. Flerie invests off its own balance sheet and recycles the investment pool. Flerie does not seek premature exits and can stay invested as long the Company believes in and can contribute to the long-term value creation of the portfolio company.

Stages
Investments in the Product Development segment cover companies from formation and pre-clinical stage to clinical phase I/II/III, as well as some companies in pivotal/registrational trials. Investments in the Commercial Growth segment cover companies from early revenue-generation towards profitability. Flerie continually aims to de-risk the portfolio through investments across several companies, technologies, disease areas and phases.

Ticket size
Flerie's initial investment in a company is up to MSEK 100, often tranched to de-risk, reserving capital for follow-on investments. Flerie's active ownership model normally requires an ownership share of 10–50 per cent. Follow-on investments typically amount to between MSEK 10 and MSEK 100.

Returns
Flerie targets a return corresponding to a multiple of invested capital of 10x on investments in the Product Development segment and a return corresponding to a multiple of invested capital of 3x on investments in the Commercial Growth segment.

Pioneering science
In the Product Development segment, Flerie invests in companies with pioneering science or approach, supported by strong data, addressing a large unmet medical need.

Scalable platform
In the Commercial Growth segment, Flerie invests in companies with a proven science and scalable platform that is expected to or already has gained significant traction in the market.

An international investor syndication with leading funds
Flerie is able to leverage its global network, with a presence in Sweden, the UK, Belgium and Switzerland, and offers other international investors a channel into the Nordic ecosystem, which has led to investments across Europe, the US and Israel.

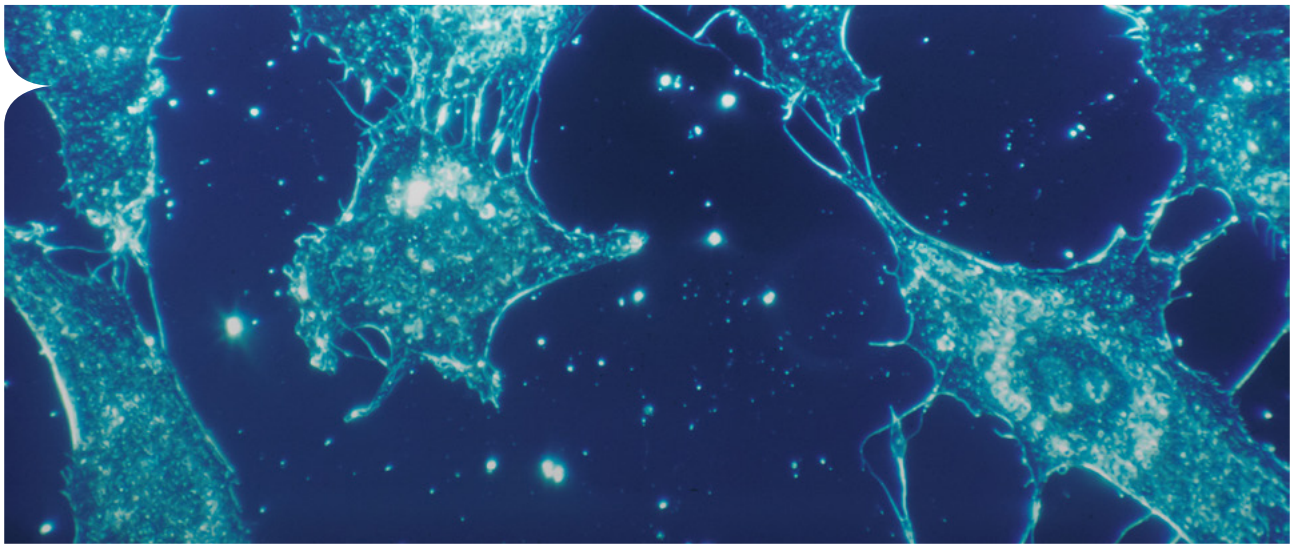
Source: Company information.

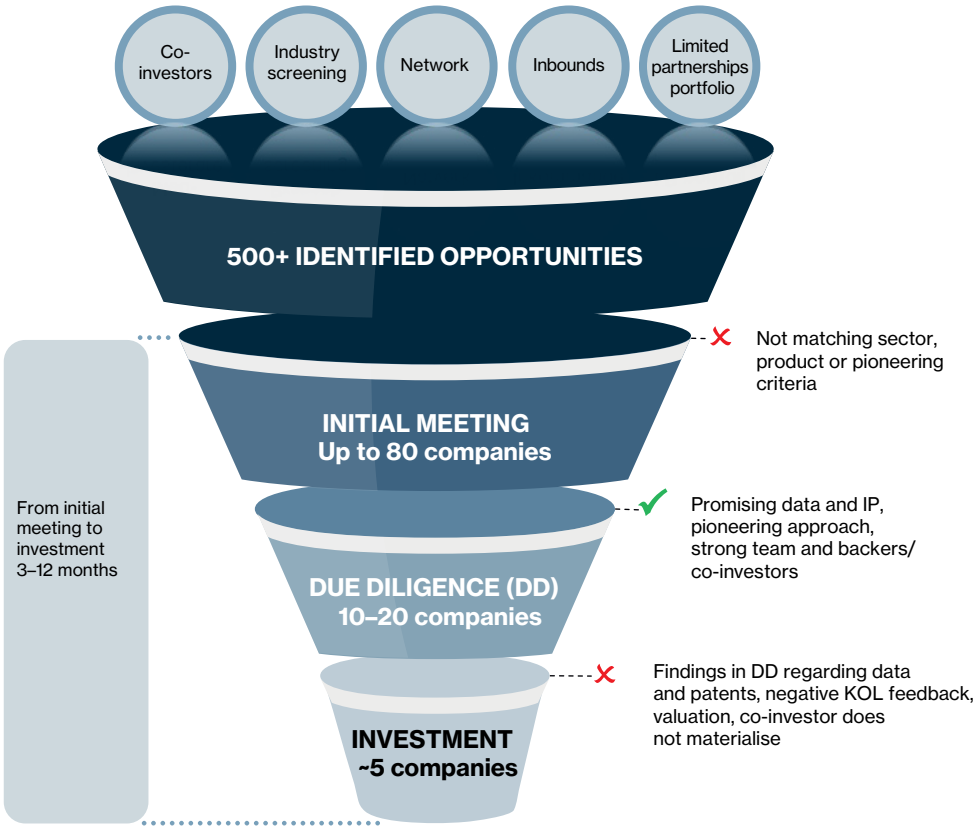
Identifying pioneering companies

Through its rigorous processes, the Company manages to identify pioneering innovations and life science companies with high potential. "Pioneering innovations" refer to new breakthroughs, discoveries or technologies that change the understanding or management of biological processes and diseases. After an initial screening process, Flerie meets with potential target companies, and if the relevant target shows a promising case, the team supported by an expert network conducts a due diligence process to determine if it is a suitable investment. The due diligence process is based on evaluating several core areas. One such area is the product and its underpinning science, including criteria such as the potential target's scope (to match Flerie's sector expertise), pioneering science and approach, scientific data, patents and intellectual property rights. Another area is the organisation and team, including an assessment of the management's experience, board of directors and current financial backers and the ability to attract new investors in the future.

During years with significant deployment, such as 2022, Flerie's process for identifying the best investment opportunities can be summarised through the funnel diagram below. After an initial evaluation of numerous candidates, Flerie identifies potential investment opportunities, and, from this pool, selects the most interesting targets for further evaluation. After meetings with the potential investment targets and thorough due diligence processes, Flerie then identifies the final investment targets.

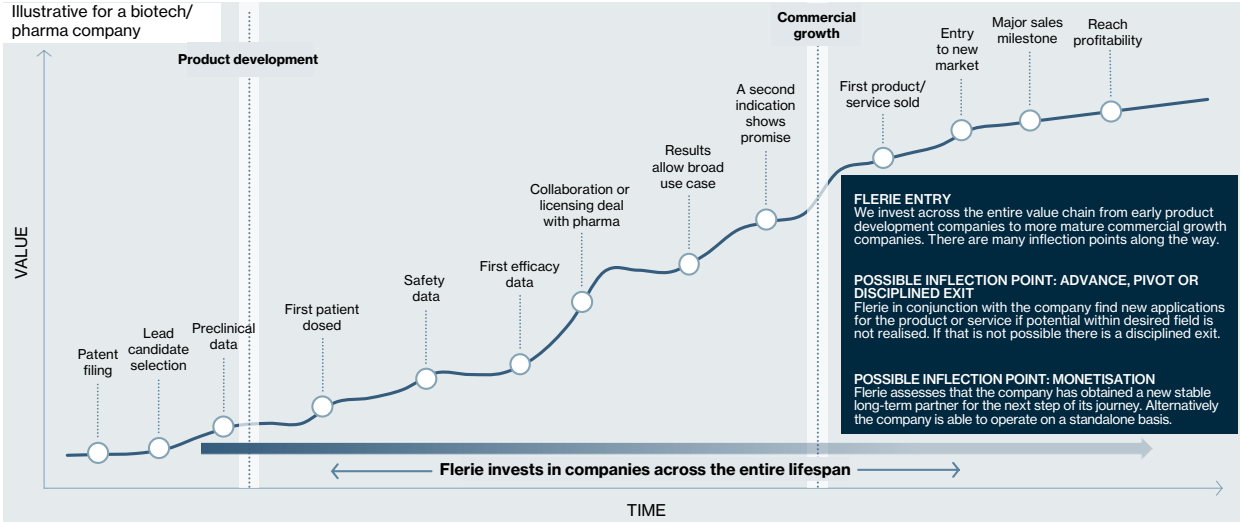
Despite the rigorous evaluation processes, there is no guarantee that the investments will live up to the potential identified by Flerie, nor can it be excluded that Flerie may receive misleading or inaccurate information in the course of the evaluation process. See further under the section "*Risk factors – Flerie is subject to risks in relation to misleading or incorrect due diligence investigations*".





Flerie's network provides access to, and Flerie's deep expertise allows selection of a portfolio of selected high-potential opportunities

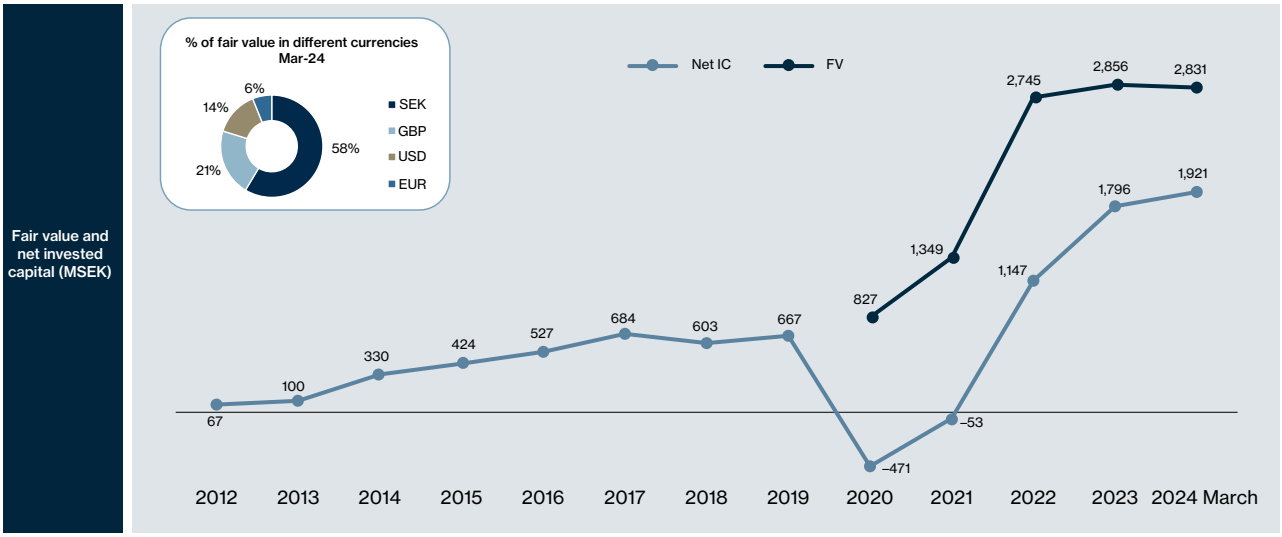
Illustrative development of an investment



Source: Company information.

The Company has developed internal policies for its investment activities with clear responsibilities to ensure the evaluation of opportunities and active value creation in the Company's portfolio. The Company's management is responsible for, e.g., preparing investment material, implementing the board of directors' strategy, conduct due diligence, uphold investor relations, and conduct the daily operations. The board of directors makes investment decisions and is responsible for governance and deciding on strategic direction.

The graph below shows the development of Fleries net invested capital (NET IC) and fair value (FV) in Flerie Invest's portfolio until and including 31 March 2024.[1)]



Source: Company information.

Working with investment partners
Flerie's portfolio has benefitted from strong investment partners, as exemplified below. The Company continues to build its network and leverage this for the benefit of portfolio companies and their teams to bring innovations to market for the benefit of society. The Company is in discussions with other actors regarding further collaborations, such as out-licensing.

Prokarium
Prokarium was spun-out from former portfolio company Cobra Biologics. Prestigious grants together with scientific data attracted international series A syndicate led by Riyadh Valley Co. Prokarium has attracted significant government equity support via the British Business Bank. The American company Ginkgo Bioworks has made a MUSD 20 investment and initiated a comprehensive extensive R&D collaboration with Prokarium.

Geneos Therapeutics
In 2019 Geneos Therapeutics was spun out from Inovio and attracted MUSD 10.5 seed funding led by Texas and Boston-based Santé Ventures. Korea Investment Partners (KIP) – South Korea's largest venture capital firm with roughly USD 3 billion of assets under management – led a new round of MUSD 12 in 2021, followed by the Flerie Invest-led round of MUSD 17 in 2022. Finally, Geneos Therapeutics also attracted MUSD 5 each from 3B Future Health Fund and Shanghai Healthcare Capital at a significant step-up compared to the last Flerie Invest-led round. This global syndicate has opened many doors for potential strategic collaborations with big pharma.

KAHR Medical
Flerie Invest was introduced to KAHR Medical via the now exited company Cobra Biologics. When the original programme's CMC was found unscalable, Flerie Invest led a process to pivot. After the turnaround, the KAHR Medical team managed to achieve a clinical collaboration with Roche. This in turn led to new investors aMoon, Focus Fund, Peregrine to co-fund KAHR Medical to the next inflection point.

Vitara Biomedical
Flerie has joined a syndicate in Vitara Biomedical led by Sands Capital, which also includes Khosla Ventures, GV (previously Google Ventures), First Spark Ventures and more. This has resulted in Flerie being able to take a board seat in Vitara Biomedical.

AnaCardio
Flerie Invest was introduced to AnaCardio by Karolinska Development and led a MSEK 150 financing round syndicating with Industrifonden and 3B Future Health Fund. Flerie's Partner Mark Quick was appointed Chairman, providing close support to CEO and founder regarding strategic matters. The syndicate has generated significant inbound interest from leading investors and potential pharma partners. Furthermore, the syndicate has led to tighter collaboration with 3B Future Health fund, introducing them to Geneos Therapeutics where 3B Future Health Fund participated in the series A3 round.

1) The illustration includes investments in Provell Pharmaceuticals, but not investments in convertibles in portfolio companies.

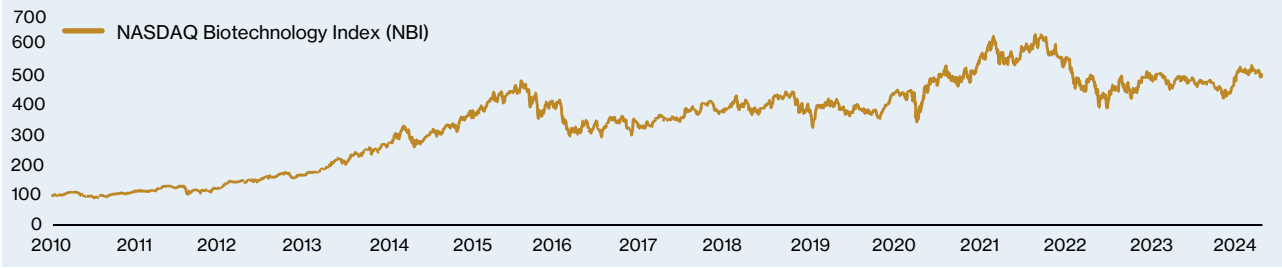
Shareholder return through long-term share appreciation

Flerie believes that future returns will continue to be predominantly driven by long-term capital appreciation. The Company aims to build value by advancing companies to key inflection points on their journey towards commercialisation. When investing in a portfolio company, Flerie favours financing that covers at least one or two inflection points. Proceeds received from successful monetisation, such as divestments, are intended to be reinvested in the portfolio to fund new innovations. Further proceeds may also be paid out by the acquirer if future milestones occur such as in the case of Cormorant Pharmaceuticals which was sold to Bristol Myers Squibb in 2016 where several milestone payments have already been received with the potential for more.[1)]

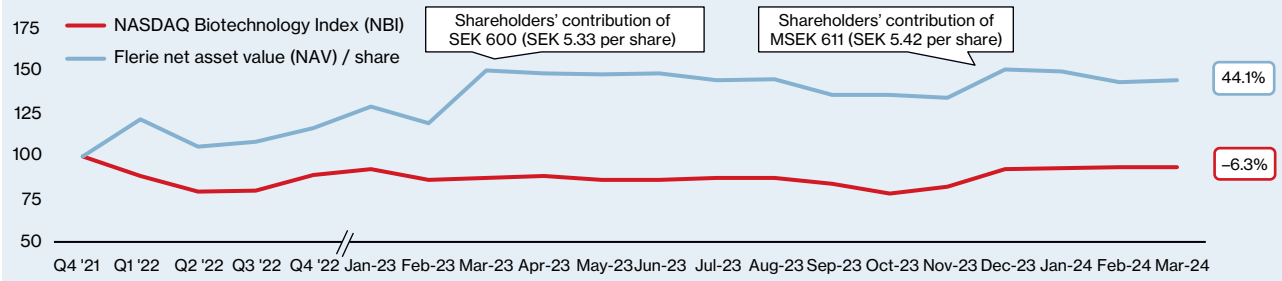
Flerie aims to benchmark its performance against the Nasdaq Biotechnology Index ("NBI"). The NBI is a market-weighted index designed to measure the performance of all Nasdaq-listed stocks in the biotechnology sector. The NBI is used by many biotechnology investors as a benchmark for their portfolios. Flerie aims to compare their long-term performance against the NBI index.

The graphs below show the performance of Flerie Invest compared to the performance of NBI up and until 31 March 2024. Received shareholder contributions, as shown in the graph below, have affected the net asset value (NAV) per share[2)] by SEK 5.33 per share as of 31 March 2023 and by further SEK 5.42 per share as of 31 December 2023. Including shareholder contributions received, the net asset value (NAV) per share has increased by 44.1 per cent since 31 December 2021; however, excluding received shareholder contributions, the net asset value (NAV) per share decreased by 7.0 per cent.

Long-term performance of index (rebased to 100)



Index performance vs NAV since December 2021 (rebased to 100)



1) Please see the section "*Legal considerations and supplementary information – Divestment of Cormorant Pharmaceuticals AB*" for more information.
2) Net asset value (NAV) per share is an alternative performance measure derived from Flerie Invest's internal accounts and is unaudited. For more information, see the section "*Selected historical financial information – Key figures*".

Ownership in portfolio companies
The Company aims to achieve an ownership in the portfolio companies that entitles Flerie to have board influence.

STRENGTHS

Long-term societal trends supporting strong growth in the life science market
There are several factors suggesting that global demand for new medicines and medical technology will continue to increase for the foreseeable future. These factors include, e.g., an ageing population, an increased prevalence of chronic diseases, and other factors leading to a growing proportion of many countries' gross domestic product (GDP) being spent on healthcare. Forecasts suggest increased global spending on medicine in general, entailing a strong growth in the life science market, as well as robust growth in several of Flerie's subsegments.[1] Out of the top ten largest global therapy areas in 2027, Flerie has invested in seven.[2] Flerie considers itself well positioned to capitalise on the opportunities that come with the anticipated growth in the life science market. Many of Flerie's investments are in biotech drug development, and spending for biotech drugs is anticipated to grow with 7.5–10.5 per cent CAGR through 2027.[3] For more information about long-term societal trends supporting strong growth in the life science market, see the section "*Market overview*".

Pioneering science is pushing boundaries
For investors able to identify promising pioneering science, one can select from an abundance of opportunities. But this selection also presents a challenge, as not all new knowledge is translatable to new products. However, it is clear that the overall increase in scientific output is having an effect on new medical innovations. For example, there is a steady growth of clinical trials as evidenced by ClinicalTrials.gov recording an increase from 137,000 to 465,000 trials in their database during a ten-year period from 2013. From the end of 2022 to March 2024 there has been an increase of 13 per cent.[4]

There have been a number of breakthroughs in science and specifically drug development over the past few years. One example is mRNA vaccine technology spearheaded by pioneers BioNTech and Moderna[5], originally developed for therapeutics in the cancer field. This knowledge was rapidly translated to the development of prophylactic (preventive) vaccines against COVID-19, which has likely saved millions of lives during the pandemic.

Following setbacks and a controversial approval in 2019 in the Alzheimer's field, analysts stated that it was "the final nail in the coffin" for the amyloid hypothesis[6]. However, one Swedish biotech persevered, eventually gaining full FDA approval in July 2023, bringing hope to millions of patients and their families globally and igniting renewed interest in the field for pharma and investors.[7]

The recent developments within the obesity space have revolutionised how we view the condition and its management. GLP-1 agonists and related drug classes, originally developed for diabetes, have demonstrated impressive results when it comes to weight loss, and more recently evidence of a reduction in the risk of developing heart disease.[8]

Looking ahead, the role that artificial intelligence can play in the discovery and development of new drugs is beginning to emerge. Recently the first fully AI generated drug entered clinical trials in patients.[9] Personalised medicine is another area that may revolutionise the field.

Strong team with many years of operational and company building experience
To pick the pioneers that can provide solutions for unmet medical needs, an investor needs a team that can identify an opportunity and recognise the operational requirements to bring these to the following inflection points. Flerie has an experienced board of directors and senior management with a long history of value creation and extensive experience in the life science market. The executive chairman of the board Thomas Eldered has over 35 years of experience of company building investing in the healthcare industry, and the Company's CEO Ted Fjällman has over 25 years of experience from the industry. Further, the Company's CFO and Deputy CEO Cecilia Schéele has over 20 years of experience in finance with senior positions held in the pharmaceutical business, and Mark Quick (Partner) has over 35 years of experience in business development and M&A mostly in pharmaceutical businesses. For more information about Flerie's board of directors and senior management, see the section "*Board of directors, senior management and auditors*".

1) IQVIA – The Global Use of Medicines 2023.
2) IQVIA – The Global Use of Medicines 2023.
3) IQVIA – The Global Use of Medicines 2023.
4) U.S. National Library of Medicine – ClinicalTrials.gov.
5) The Guardian – Vaccines to treat cancer possible by 2030, say BioNTech founders.
6) The New Yorker – The Promise of a New Alzheimer's Drug.
7) Financial Times – How a Swedish start-up reignited the search for an Alzheimer's drug.
8) Nature – Anti-obesity drug also protects against heart disease — what happens next?
9) CNBC – The first fully A.I.-generated drug enters clinical trials in human patients.

Access to private and difficult-to-access companies typically out of reach

Through its expertise and network, Flerie provides investors with investment flexibility and exposure to difficult-to-access and difficult-to-assess companies within biopharma, tools, devices and pharma service. The Company utilises its broad network of advisers and co-investors, including e.g., Korea Investment Partners, Linc, aMoon, Sands Capital, Santé Ventures and Industrifonden, for deal sourcing, investment synergies and due diligence advice. Flerie´s pharma network is large and growing and the portfolio companies have initiated collaborations with Ginkgo Bioworks, Bristol Myers Squibb, Roche and Merck, among others. Flerie's portfolio companies also collaborate with some of the leading academic centres in the world, such as the Karolinska Institute, The Wistar Institute and MD Anderson Cancer Centre.

Evergreen investment strategy with active ownership and value creation

Flerie is an active owner working to strengthen the portfolio companies' existing operations and future development by contributing with expertise in the boards, providing access to an extensive network for further fundraising, and facilitating synergies with other companies.

Flerie's evergreen investment strategy aims to create long-term value growth. Flerie aims to be invested in portfolio company as long as Flerie can contribute and add value. Approximately 84 per cent of the portfolio companies in the Product Development segment by fair value were in clinical stage as of 31 March 2024 and several are expected to reach inflection points that may present an opportunity for monetisation, whereby Flerie can divest the company if Flerie deems the timing is appropriate and recycle the proceeds into the investment pool. Flerie also has a cost-efficient organisation and operations.

Flerie recognises that private equity actors have become increasingly interested in the life science venture space, which is supported by recent acquisitions/investments in leading European life science players. Flerie further believes the Company is well connected with private equity actors and has been approached by leading players who want to collaborate or co-invest given Flerie's strong life science and CDMO pedigree and extensive Nordic network. One example of this is Flerie's recent formation of Frontier Biosolutions together with private equity company KKR. In Flerie's opinion, there are very few players in the Nordics that can make both venture and private equity investments within life science. Flerie's evergreen investment strategy and flexible and active ownership model make Flerie well positioned to take advantage of interesting opportunities out of reach from many investors.

Flerie's active ownership model has four main pillars:

Active board engagement

The Company currently has board representation in 28 of 29 portfolio companies[1)] (excluding limited partnership investments), allowing Flerie to be an active owner, provide CEO support for leadership and practical matters (e.g., licensing contracts), and help with identifying suitable consultants, contract research organisations, contract development and manufacturing organisations, and recruitments. Flerie team members are engaged in most boards themselves.

Product roadmaps and platform expansion

Flerie further contributes to the development of the portfolio companies by supporting the establishment of Product Development roadmaps, paths to commercialisation and clinical study designs. Flerie also assists by finding partners to conduct joint projects and to provide financial support to expand the technology platforms. For example, Flerie's active support has enabled portfolio company KAHR Medical to initiate a clinical study in collaboration with Roche, while another portfolio company, Prokarium, has entered into a collaboration agreement with the US based company Ginkgo Bioworks, with the potential to significantly expand the use of Prokarium's platform technology for the delivery of RNA into tumours.

Peer-to-peer network

The 'Flerie and Peers' network allows CEOs of portfolio companies to meet and exchange experiences with each other. The geographic spread of the portfolio companies provides a truly international peer network helping with introductions to key opinion leaders, potential partners, key consultants etc. So far, 18 executives have taken part in the most intensive peer exchange weekends and together worked on over 50 cruxes identified as key roadblocks in their companies' development. Due to Flerie's initiative, several CEOs now have direct contact and provide each other support, also without facilitation.

1) The Company does not have board representation in Egetis Therapeutics due to limited shareholding.

Collaborations and synergies to advance
Flerie acts as a conduit for collaborative projects across the network as well as possibilities to utilise each other's capabilities within production, clinical studies and human capital/consultants. For example, NorthX Biologics has partnerships with several of Flerie's other portfolio companies (Geneos Therapeutics, Lipum, Mendus, Synerkine Pharma and Toleranzia). Service provision with NorthX Biologics is done on a commercial basis. Below are some further examples of collaborative projects undertaken by Flerie's portfolio companies.

Strategic investment partnership between Prokarium and Ginkgo Bioworks
Prokarium entered into an investment partnership with Ginkgo Bioworks to develop a bactofection platform to deliver RNA-based therapeutics. The partnership aims to develop a bactofection platform that leverages the convergence of these advancements in immuno-oncology, gene therapy, RNA therapeutics and bacterial therapeutics.

U.S. partnership between Provell Pharmaceuticals and Merck
Since 2013, Provell Pharmaceuticals is the exclusive U.S. Marketing and Distribution partner for one of Merck KgaA, Darmstadt, Germany's largest legacy brands (Euthyrox). The global partnership enables a strategic opportunity to establish a foundation for expanding the portfolio on the same platform, driving potential future growth and innovation.

Collaboration between Microbiotica and MSD within clinical trials
Microbiotica has announced a clinical trial collaboration with MSD to evaluate MB097 in combination with KEYTRUDA® (pembrolizumab) in a phase Ib clinical trial in malignant melanoma. The collaboration has the potential to enhance the benefit for patients with advanced melanoma and other difficult-to-treat cancers.

Joint clinical study between KAHR Medical and Roche
The joint clinical study between KAHR Medical and Roche explores KAHR Medicals lead program, DSP107, in combination with Roche's checkpoint inhibitor, Tecentriq, in advanced lung cancer patients. KAHR Medical acts as sponsor of the study and Roche provides the clinical supply of atezolizumab. The combination of DSP107 and immune-checkpoint inhibitors has shown promise in pre-clinical studies.

Commercialisation agreement between Xspray Pharma and EVERSANA
The agreement between Xspray Pharma and EVERSANA aims to support the U.S. launch and commercialisation of Xspray Pharma's lead product, Dasynoc (XS004). The agreement grants Xspray Pharma access to EVERSANA's experienced commercialisation team.

Establishment of an Innovation Hub with support from Vinnova
The Swedish Innovation Agency (Vinnova) together with the Swedish Government recognised and awarded NorthX to become an international Innovation hub for ATMPs.[1] The hub will accelerate client projects and move them forward in clinical process through open collaboration in process and analytical development, connections with financiers (public or private) and further production for clinical or commercial product.

Attractive, diversified portfolio across sectors and stages of development
Flerie has a diverse mix of portfolio companies across three segments and multiple phases of development. The portfolio products and services cover a wide range of areas, including immuno-oncology, metabolic diseases and biologics development and manufacturing organisations, which have the potential to make a significant impact on health and wellbeing. For information about the business segments Flerie invests in, please see the section "*Business description – Business segments*" below.

1) https://atmpsweden.se/news/sweden-invests-in-innovation-hub-for-advanced-therapies/, accessed 2024-05-22.

Track record of strong exits

By utilising deep and broad operational experience building and developing companies to advance and support portfolio companies with their journey, Flerie Invest has achieved successful exits Below follows examples of completed divestments by Flerie Invest.

Cormorant Pharmaceuticals

Cormorant Pharmaceuticals was acquired by Bristol Myers Squibb in 2016 for a total consideration of MUSD 520, with a phase I/II asset, where early licensing discussions led to an outright acquisition. Flerie Invest's total investment in Cormorant Pharmaceuticals amounted to MSEK 43, and the consideration received by Flerie Invest in connection with the divestment amounted to MSEK 508. The consideration included an earn-out structure, which potentially unlocks an additional MUSD 96 for Flerie in the future.

Invested Capital (MSEK)	Consideration (MSEK)	Multiple on invested capital	Internal Rate of Return, %
43	508	11.8x	72%

Cobra Biologics

Cobra Biologics was a contract development and manufacturing organisation specialising in premium plasmid DNA and viral vector services to support the advanced therapy medicinal products industry. In 2020 Cobra Biologics was divested to Cognate Bioservices. Flerie Invest's total investment in Cobra Biologics amounted to MSEK 369, and the consideration received by Flerie Invest in connection with the divestment amounted to MSEK 1,141.

Invested Capital (MSEK)	Consideration (MSEK)	Multiple on invested capital	Internal Rate of Return, %
369	1,141	3.1x	21%

Wilson Therapeutics

Wilson Therapeutics was a biopharmaceutical company based in Stockholm that developed novel therapies for patients with rare copper-mediated disorders. Its lead product, WTX101, advanced to phase III development as a novel treatment for Wilson's disease. In 2018, Alexion made a public offer and acquired Wilson Therapeutics for MSEK 7,000. Flerie Invest's total investment in Wilson Therapeutics amounted to MSEK 15, and the consideration received by Flerie Invest connection with the divestment amounted to MSEK 61.

Invested Capital (MSEK)	Consideration (MSEK)	Multiple on invested capital	Internal Rate of Return, %
15	61	4.1x	307%

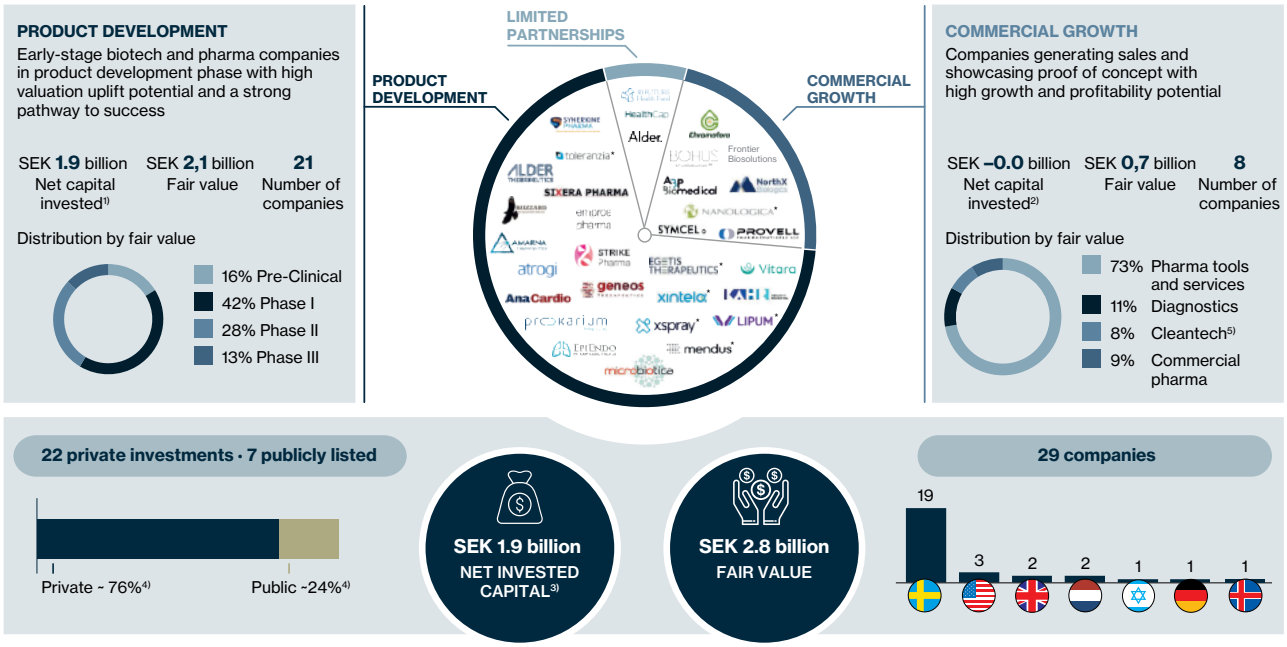
A few of Flerie Invest's investments have not been successful, resulting in write-downs of the entire fair value. During the period between the founding of Flerie Invest in 2011 and 31 March 2024, Flerie Invest has written off a total value of MSEK 201, corresponding to 5.5 per cent of Flerie Invest's total invested capital, in a total of five portfolio companies: Oxthera, Vironova, Beactica Therapeutics, Eurocine Vaccines and XNK Therapeutics.

BUSINESS SEGMENTS

Flerie invests in companies across the entire value chain, providing exposure to three different segments: Product Development, Commercial Growth, and Limited Partnerships. Flerie mainly invests in companies in the Product Development segment, which as of 31 March 2024 accounted for approximately 72 per cent of the Company's portfolio based on fair value. The corresponding number for the Commercial Growth segment was 25 per cent, and Limited Partnerships accounted for the remaining 3 per cent. The three segments are the Company's business segments and are not classified as operating segments in accordance with IFRS 8 Operating Segments.

The figures below show the Company's current portfolio based on segments, geographical spread and the proportion of private and public holdings as of 31 March 2024.[1]

Diversified mix of portfolio companies across subsectors and segments



* Publicly traded

Source: Company information, figures as of 31 March 2024.

1) As of 31 March 2024, invested capital in the current portfolio amounted to SEK 2.2 billion.
2) As of 31 March 2024, invested capital in the current portfolio amounted to SEK 0.7 billion.
3) As of 31 March 2024, invested capital in the current portfolio in the Product Development, Commercial Growth and Limited Partnerships segments amounted to SEK 3.0 billion.
4) Based on fair value.
5) Chromafora was originally a pharmaceutical-focused company but has since shifted to a cleantech focus.

Depending on the stage of development a portfolio company is in, there are different areas of focus and different risks associated with that particular stage. The stages can be divided into four categories: 1. Clinical Safety, 2. Clinical Efficacy, 3. Market Launch and 4. Market Capture. During the Clinical Safety stage, the focus is on CMC, toxicology, and trial design, including inclusion and exclusion criteria. Here, the risk consists of the trial revealing unforeseen side effects. During the Clinical Safety stage, the primary focus revolves around the design, conduct, and funding of clinical trials. A risk in this stage is the possibility that a trial will not meet its primary clinical efficacy endpoints. As the company advances to the Market Launch stage, the central focus shifts to marketing efforts and the pursuit of partnerships with entities that have access to potential customers. There is some regulatory risk, but little technical or scientific risk. Lastly, in the Market Capture stage, the focus is on scaling up sales efforts and ensuring scalable operations to meet demand. There is little or no technical or scientific risk at this stage.

1) The figures in the illustration and the text below include investments in Provell Pharmaceuticals, but not investments in convertibles in portfolio companies.

The table below demonstrates the overview of Flerie's portfolio by phase as of 31 March 2024.

	Preclinical	Phase I	Phase II	Phase III / Pivotal stage	Early commercialisation	Commercial Growth
Development stage	toleranzia, microbiotica, Vitara, SYNERKINE PHARMA, AMARINA, STRIKE Pharma, ALDER	atrogi, LIPUM, SIXERA PHARMA, AnaCardio, BLIZZARD, prokarium	empros pharma, geneos, mendus, xintela, EPLENDO, KAHR	xspray, EGETIS THERAPEUTICS	Aap Biomedical, INANOLOGICA, Chromafora, SYMCEL	BOHUS, PROVELL, NorthX Biologics, Frontier Biosolutions
Number of companies	7	6	6	2	4	4
Fair value (MSEK)	337	749	681	284	410	286
% of total fair value	12 per cent	27 per cent	25 per cent	10 per cent	15 per cent	10 per cent

Source: Company information. Fair value as of 31 March 2024 based on Flerie Invest's NAV report.

Product Development

The Product Development segment covers predominantly early-stage biotech and pharma companies which are in the process of advancing products or technologies to clinical proof of concept and towards marketing approval. Product Development companies are characterised by a high valuation uplifting potential and a pathway to success. Flerie may contribute to the development of such companies by encouraging partnering, licensing and expansion of the investor base to provide resources or opportunities. As an active owner, Flerie participates via boards to ensure product plans, platform technology expansion potential and product roadmaps are optimised. Flerie remains engaged to the appropriate endpoint, which could include the company taking its product to market, entering Commercial Growth.

As per 31 March 2024, the Company's net invested capital in the segment amounted to approximately SEK 1.9 billion and the fair value amounted to approximately SEK 2.1 billion, divided into a total of 21 companies. See the section "*Business description – Flerie's portfolio – Portfolio overview: Product Development*" for more information about Flerie's investments within the Product Development segment.

Commercial Growth

While companies in the Product Development segment are in an early stage of development, those in the Commercial Growth segment have reached a more mature phase and are generating sales. Since the risks of investing in pharmaceutical companies are primarily associated with the early stages of development, investments in Commercial Growth companies generally entail less technical risks, but also relatively lower returns upon a successful development of the company invested in. Flerie's role in these companies is to assist them with the sales of their products or services to reach profitability, to support expansion through organic growth and through merger & acquisition opportunities. When a Commercial Growth company reaches maturity and Flerie is no longer adding value or it determines that the investment would be better deployed elsewhere, Flerie exits the company.

As per 31 March 2024, the Company's net invested capital in the segment amounted to approximately SEK –0.0 billion and the fair value amounted to approximately SEK 0.7 billion, divided into a total of eight companies. See the section "*Business description – Flerie's portfolio – Portfolio overview: Commercial Growth*" for more information about Flerie's investments within the Commercial Growth segment.

Limited Partnerships
Under certain circumstances, Flerie may become a limited partner in an investment fund. Limited Partnerships primarily allow the Company to access the network, opportunities and skills of another investment company or fund and is primarily a way to de-risk the portfolio by diversifying into sectors that are new to Flerie as well as benefitting from the expertise of the specialists there. This way, Limited Partnerships provide advantages for the other two segments and Flerie's long-term portfolio expansion possibility.

Further diversification and new investment opportunities from Limited Partnerships
The Company currently has three limited partner investments, 3B Future Health Fund II, HealthCap Fund IX and Alder Fund III. As per 31 March 2024, the Company's net invested capital in the segment amounted to approximately MSEK 82 and the fair value amounted to approximately MSEK 83. The Company's total committed capital as of 31 March 2024 amounted to approximately MSEK 284, of which approximately MSEK 197 remains to be invested. See the section "*Business description – Flerie's portfolio – Portfolio overview: Limited Partnerships*" for more information about Flerie's investments within the Limited Partnership segment.

Dynamic portfolio generating inflection points

Expected inflection points in the near-term[1] for the Product Development segment

Pre-clinical

Synerkine Pharma	Received toxicology results and approval of phase I clinical trial application.
Vitara Biomedical	Submission of IDE-application.

Phase I

AnaCardio	Phase Ib study results to be received for AC01.
Lipum	Phase I study results for SOL-116 in healthy volunteers and patients with rheumatoid arthritis.
Microbiotica	MB097 and MB310 to enter phase Ib.
Sixera Pharma	Results from phase I/II study for SXR1096 to be received.
Toleranzia	TOL2 to enter phase I.

Phase II

Atrogi	ATR-258 to enter phase II.
Geneos Therapeutics	Phase II results to be received for HCC (36 patient data set at 12 months).
Mendus	Start of phase II CADENCE trial in AML maintenance and primary readout of phase I ALISON trial in ovarian cancer.
KAHR Medical	Received top-line phase II data in solid tumour study for DSP107.
Xintela	Phase I/II results for OA and VLU.

Phase III/pivotal

Egetis Therapeutics	Results to be received from ReTRIACt study and US NDA submission.
Xspray Pharma	US approval and launch for XS004.

1) In the Product Development segment, considered likely to occur within one year from the date of the Prospectus.

Expected near-term value-enhancing developments[1] for the Commercial Growth segment

Devices & Services

Nanologica	Optimise production processed to deliver large orders. Nanologica is also looking to exploit growth of GLP1 production.
NorthX Biologics	Further expansion into cell therapy and mRNA manufacturing services. Integration with acquired manufacturing site in Stockholm resulting in more CGT customers. Expansion into clinical trials/small scale Drug Product Fill & Finish.
Symcel	Further grow sterility testing business within the cell and gene therapy market. Develop prototype for in vitro diagnostic instruments and expand R&D sales on a global market.
A3P Biomedical	Expansion into new markets including the US where the Stockholm3 test is being established as a Lab Developed Test. Expansion is also expected in more profitable markets, for example Switzerland, Germany, and the Netherlands. Furthermore, A3P Biomedical is expected to scale the business through a SaaS strategy.

Commercial Pharma

Bohus Biotech	Product development in aesthetic and ophthalmology segments. Develop new routes to market and prepare for market expansion.

Cleantech

Chromafora	Completion of first production-scale plant for Selpaxt and startup of pilot for Selmext. Chromafora also expects to gain new customers and partners.

Other

Provell Pharmaceuticals	Digital marketing campaign for Euthyrox is expected to be initiated and potential expansion to second product, as well as implementation of new distribution channels.

FINANCIAL TARGETS

As per the date of the Prospectus, Flerie has not adopted any financial targets.

CAPITAL REQUIREMENTS

As of 31 March 2024, Flerie has committed MSEK 429 in additional funding of its portfolio, to be allocated over the coming years. Flerie estimates that MSEK 256 will be required during the 2024 financial year, split between the segments Product Development (MSEK 134), Commercial Growth (MSEK 41) and Limited Partnerships (MSEK 80). The commitments in the Product Development segment during 2024 primarily consist of follow-on investments, warrants and commitments to subscribe in coming share issues. The largest commitments, which have been paid as of the date of the Prospectus, relate to a share issue in Lipum, in which Flerie was committed to invest MSEK 60, and the MSEK 2.8 mandatory bid for shares in Lipum. In the Commercial Growth segment, Flerie has committed to invest up to MSEK 36 in Frontier Biosolutions, which may be drawn in 2024 or 2025. In the Limited Partnership segment, estimates are more difficult to provide as the Company cannot predict future capital requirements and possible capital raisings. During the first quarter of 2024, investments in the segment amounted to MSEK 11, and during the second quarter, up to and including the date of the Prospectus, net investments in the segment amounted to MSEK –5.

Future investment activity is planned at approximately 10 per cent of Flerie's net asset value (NAV) per year.

The above-mentioned capital requirements will be financed by the proceeds received in the Capital Raise and by proceeds from revenue generating events, such as sales, as well as the available facility of MSEK 30 under a loan agreement with T&M Participation AB (as further described in the section "*Legal considerations and supplementary information – Related party trans actions*").

1) Assessed in the Commercial Growth segment as likely to occur within the next two years from the date of the Prospectus.

FLERIE'S PORTFOLIO[1)]

As per the date of the Prospectus, Flerie has 32 investments in life science companies and investment funds based in Europe, Israel, and the US. The holdings in the table below are listed on a non-diluted basis. The Company does not anticipate the need for additional share issues for capital raising in the coming 24 months.

31 May 2024	Valuation methodology	Share of capital (%)	Invested capital (MSEK)	Fair value (MSEK)
Alder Therapeutics	3B	21%	17.2	17.2
Amarna Therapeutics	3F	60%	141.0	11.6
AnaCardio	3A	19%	51.6	51.6
Atrogi[2)]	3B	34%	115.2	154.1
Buzzard Pharmaceuticals	3A	15%	64.2	29.1
Egetis Therapeutics[3)]	1A	2%	32.3	58.9
Empros Pharma	3A	79%	166.9	204.5
EpiEndo Pharmaceuticals	3F	10%	63.1	0.0
Geneos Therapeutics	3B	12%	77.6	101.0
KAHR Medical	3A	31%	352.2	198.7
Lipum	1A	57%	103.0	125.9
Mendus	1A	24%	115.7	118.8
Microbiotica	3B	11%	130.2	133.8
Prokarium	3B	42%	257.1	470.0
Sixera Pharma[4)]	3A	23%	25.7	25.7
Strike Pharma	3A	14%	12.4	5.5
Synerkine Pharma	3A	43%	57.5	52.5
Toleranzia	1A	58%	94.4	87.8
Vitara Biomedical	3A	5%	55.3	56.1
Xintela	1A	56%	91.0	85.2
Xspray Pharma	1A	17%	293.0	426.2
Total Product Development			**2,316.7**	**2,414.3**
A3P Biomedical	3F	8%	100.0	75.0
Bohus Biotech	3F	45%	85.1	16.7
Chromafora[5)]	3A	34%	45.3	52.8
Frontier Biosolutions	3A	2%	19.2	18.9
Nanologica	1A	39%	157.9	104.5
NorthX Biologics	3B	92%	189.2	189.2
Provell Pharmaceuticals[6)]	3C	72%	64.9	64.9
Symcel	3A	31%	74.7	168.8
Total Commercial Growth			**736.3**	**690.7**
Total Limited Partnerships			**77.5**	**76.8**
Total portfolio value[7)]			**3,130.6**	**3,181.9**
Assets related to Portfolio companies				372
Other assets and liabilities				90
Total net asset value				**3,644**

1) The information provided as of 31 May 2024 is derived from Flerie Invest's internal accounts and is unaudited. The figures in the tables below exclude investments in convertibles in the portfolio companies.
2) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
3) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
4) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.
5) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.
6) Provell Pharmaceuticals is one of Flerie's portfolio companies, but the shares are held through the Company's wholly owned subsidiary B&E Participation Inc., financed entirely through loans.
7) Total portfolio value includes capital invested in and fair value of the indirectly owned portfolio company Provell Pharmaceuticals.

Overview of top portfolio companies by fair value

The table below demonstrates Flerie's top portfolio companies by fair value as of 31 May 2024.

31 May 2024	Capital invested (MSEK)	Share of capital invested (%)	Fair value (MSEK)	Share of fair value (%)	Multiple on invested capital[1)]
Prokarium	257.1	8.2%	470.0	14.8%	1.8x
Xspray Pharma	293.0	9.4%	426.2	13.4%	1.5x
Empros Pharma	166.9	5.3%	204.5	6.4%	1.2x
KAHR Medical	352.2	11.3%	198.7	6.2%	0.6x
NorthX Biologics	189.2	6.0%	189.2	5.9%	1.0x
Symcel	74.7	2.4%	168.8	5.3%	2.3x
Atrogi	115.2	3.7%	154.1	4.8%	1.3x
Microbiotica	130.2	4.2%	133.8	4.2%	1.0x
Lipum	103.0	3.3%	125.9	4.0%	1.2x
Mendus	115.7	3.7%	118.8	3.7%	1.0x
Nanologica	157.9	5.0%	104.5	3.3%	0.7x
Geneos Therapeutics	77.6	2.5%	101.0	3.2%	1.3x
Toleranzia	94.4	3.0%	87.8	2.8%	0.9x
Xintela	91.0	2.9%	85.2	2.7%	0.9x
A3P Biomedical	100.0	3.2%	75.0	2.4%	0.8x
Top 15 investments	**2,318.2**	**74.0%**	**2,643**	**83.1%**	**1.1x**
Other investments in Product Development	520.3	16.6%	308.3	9.7	0.6x
Other investments in Commercial Growth	214.5	6.9%	153.3	4.8%	0.7x
Other Limited Partnerships	77.5	2.5%	76.8	2.4%	1.0x
In total	**3,130.6**	**100.0%**	**3,181.9**	**100.0%**	**1.0x**

1) The multiple on invested capital is calculated by dividing the fair value by the invested capital.

Breakdown of unlisted and listed holdings

As of 31 March 2024, the unlisted holdings accounted for 76 per cent of the fair value of Flerie's portfolio, excluding other placements, cash, receivables and debt. The listed holdings accounted for 24 per cent of the fair value of Flerie's portfolio excluding other placements, cash, receivables and debt.

Pipeline for portfolio companies in the product development segment as of 31 March 2024

Company	Lead candidate	Other candidates	Target market	Research	Pre-clinical	Phase I	Phase II	Phase III/ pivotal	Market
Alder Therapeutics	ALD01	ALD02	Cell therapy	✔	Ongoing				
Amarna Therapeutics	Nimvec	–	Viral vector platform	✔	Ongoing				
AnaCardio	AC01	Ghrelin peptid	Cardiovascular drugs	✔	✔	Ongoing			
Atrogi	ATR-258	–	T2DM	✔	✔	✔			
Buzzard Pharmaceuticals	Isunakinra	–	Oncology drugs	✔	✔	✔			
Egetis Therapeutics	Emcitate	Aladote	Orphan drugs	✔	✔	✔	✔	Ongoing	
Empros Pharma	EMP16	–	Anti–obesity drugs	✔	✔	✔	✔		
EpiEndo Pharmaceuticals	EP395	–	COPD	✔	✔	✔	✔		
Geneos Therapeutics	GT-30/31	GT 10/20	Immunotherapeutics	✔	✔	✔	Ongoing		
KAHR Medical	DSP107	DSP502, DSP216	Immunotherapeutics	✔	✔	✔	Ongoing		
Lipum	SOL-116	–	Anti-inflammatory drugs	✔	✔	Ongoing			
Mendus	Vididencel	Ilixadencel	Dendritic cell vaccines	✔	✔	✔	Ongoing		
Microbiotica	MB097	MB310	LBT	✔	✔				
Prokarium	NMIBC	IO Prime, Solid tum.	Microbial immunotherapy	✔	✔	Ongoing			
Sixera Pharma	SXR1096	–	Netherton syndrome	✔	✔	Ongoing			
Strike Pharma	STRIKE-2001	–	Immuno–oncology	✔	Ongoing				
Synerkine Pharma	SK-01	SK-02	Pain management therapeutics	✔	Ongoing				
Toleranzia	TOL2	TOL3	Immunotherapeutics	✔	Ongoing				
Vitara Biomedical	BioPod	–	Neonatal care	✔	Ongoing				
Xintela	X-STEM	TARG9/10, EQSTEM	Cell therapeutics	✔	✔	✔	Ongoing		
Xspray Pharma	XS004	XS003, XS008	Oncology drugs	✔	✔	✔	✔	✔	

Portfolio overview[1]: Product Development

Alder Therapeutics AB

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 17.2
Share of Flerie's invested capital (%) as of 31 May 2024: 0.5 per cent
Fair value: MSEK 17.2 as of 31 December 2023 and MSEK 17.2 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.5 per cent
Flerie's ownership as of 31 May 2024: 21.0 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

Alder Therapeutics, founded in 2022 by Kristian Tryggvason, is a Swedish pre-clinical stage biotech, based on discoveries and IP generated by and licensed from Duke-NUS Medical School in Singapore and BioLamina (which Kristian Tryggvason co-founded). Alder Therapeutics focuses on building a novel cell therapy platform with the best functional cells based on the most simple and robust processes. The platform initially focuses on retinal and cardiac cell therapeutic products. The lead program ALD01 is developing a mutation-agnostic treatment for retinitis pigmentosa.

Recent progress

- Licensed two laminin-related patents from Duke-NUS to enhance the development of its retinal and cardiac cell therapeutic products.
- Research relating to cardiac cell therapy programme published in Nature npj Regenerative Medicine.[2]

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Ocular disorders	Lineage	Roche	Phase I/II	Lineage and Roche entered into an exclusive collaboration and license agreement for the development and commercialisation of a retinal pigment epithelium (RPE) cell therapy for the treatment of ocular disorders[3]	50	670	December 2021
Diabetes type 1	Semma Therapeutics	Vertex	Initiate phase I/II	Vertex acquired Semma Therapeutics with a goal of developing curative cell-based treatments for type 1 diabetes[4]	950	–	September 2021
Cell therapy developer	BlueRock Therapeutics	Bayer	Pre-clinical	Bayer acquired BlueRock Therapeutics to build leading position in cell therapy[5]	240	360	August 2019
Heart failure	Novo Nordisk	Heartseed	Initiate phase I/II	Heartseed and Novo Nordisk entered into global collaboration and licence agreement for stem cell-based therapy for heart failure[6]	55	543	June 2021
Ophthalmology	jCyte	Santen Pharmaceutical	Phase IIb	jCyte entered into a licensing and commercialisation agreement for jCell Therapy with global ophthalmology leader Santen Pharmaceutical[7]	62[8]	190	May 2020

1) The Company's portfolio companies Beactica Therapeutics, Eurocine Vaccines, Oxthera, Vironova and XNK Therapeutics with a fair value of SEK 0, respectively, are excluded. However, the portfolio company EpiEndo Pharmaceuticals, which also has a fair value of SEK 0, has been included. For more information, see footnote under section "*Business description – History*".
2) Springer Nature Limited, https://www.nature.com/articles/s41536-023-00302-6, accessed 2024-06-03.
3) Lineage Cell Therapeutics, https://lineagecell.com/products-pipeline/opregen/, accessed 2024-04-28.
4) Vertex, https://investors.vrtx.com/news-releases/news-release-details/vertex-acquire-semma-therapeutics-goal-developing-curative-cell, accessed 2024-04-28.
5) Bayer, https://www.bayer.com/media/en-us/bayer-acquires-bluerock-therapeutics-to-build-leading-position-in-cell-therapy/, accessed 2024-04-28.
6) Novo Nordisk, https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=61691, accessed 2024-04-28.
7) Jcyte, https://www.jcyte.com/news/press/2020-may-08, accessed 2024-04-28.
8) The number includes an issue of convertibles of MUSD 12.

Amarna Therapeutics B.V.

Investment year: 2018
Capital invested as of 31 May 2024: MSEK 141.0
Share of Flerie's invested capital (%) as of 31 May 2024: 4.5 per cent
Fair value: MSEK 11.2 as of 31 December 2023 and MSEK 11.6 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.4 per cent
Flerie's ownership as of 31 May 2024: 59.6 per cent
Multiple on invested capital as of 31 May 2024: 0.1x

Amarna is a pre-clinical stage biotech company based in Leiden, the Netherlands, developing a non-immunogenic viral vector platform ("Nimvec™") to produce new gene replacement therapies and new auto-antigen based tolerance induction therapies. Other gene therapies currently in development or already approved typically induce a strong immune response, limiting the possibility for repeat dosing and efficacy in many patients. Nimvec™ is unique in that it does not induce an immune response. Instead, administration of Nimvec™ moderates the immune system to induce tolerance for any genes that are included in the Nimvec™ vector. Thus, Nimvec™ can be used to replace genes, as well as induce tolerance in autoimmunity.

Recent progress

- Henk Streefkerk was appointed as new CEO.
- Pivot from HemB to type 1 diabetes.
- Amarna Therapeutics received inconclusive results in marmoset study leading to a pivot.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Haemophilia B gene therapy	uniQure	CSL Behring	Phase III	CSL Behring acquired novel late-stage gene therapy candidate for Hemophilia B patients from uniQure.[1)]	500	1,600	June 2020
Epilepsy	CombiGene	Roche	Pre-clinical	Roche's Spark Therapeutics unit entered into a licence agreement for CombiGene's gene therapy for epilepsy, which has a specific focus on drug-resistant forms of the condition.[2)]	9	319	October 2021
Gene therapy	Code Bio	Takeda	Discovery phase	Takeda entered into an agreement with Code Bio to expand its gene therapy programmes.[3)]	Not disclosed	2,000[4)]	February 2022

1) Uniqure, https://www.uniqure.com/investors-media/press-releases, accessed 2024-04-28.
2) Combigene, https://www.biostock.se/2021/10/combigene-i-miljardavtal-med-spark-therapeutics/, accessed 2024-04-28.
3) Businesswire, https://www.businesswire.com/news/home/20220222005249/en/Code-Biotherapeutics-Announces-Collaborationwith-Take-da-to-Use-Proprietary-3DNA-Genetic-Medicine-Delivery-Platform-to-Design-and-Develop-Gene-Therapies-for-Rare-Diseases, accessed 2024-04-28.
4) Number denotes total potential deal value including upfront payment and potential milestone payments.

AnaCardio Holding AB

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 51.6
Share of Flerie's invested capital (%) as of 31 May 2024: 1.6 per cent
Fair value: MSEK 34.4 as of 31 December 2023 MSEK and MSEK 51.6 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 1.6 per cent
Flerie's ownership as of 31 May 2024: 19.3 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

AnaCardio is a Swedish clinical stage biopharmaceutical company developing novel drugs to treat heart failure, increasing contractility with a proprietary mechanism of action. It is based on Professor Lars Lund's research at the Karolinska Institute on the ghrelin peptide, demonstrating an improvement of cardiac output by 28 per cent without increasing oxygen consumption, arrhythmia, ischaemia, or hypotension.[1] The lead program AC01 is an in-licensed oral peptidomimetic small-molecule being investigated in a phase Ib/IIa clinical study initiated in 2023 in patients with heart failure and reduced ejection fraction. AnaCardio has the funding to proceed to a phase IIa with expected initial safety data in 2024. Co-investors alongside Flerie in AnaCardio include 3B Future Health Fund, Karolinska Development and Industrifonden.

Recent progress

- In February 2022, AnaCardio utilised option to license a program in heart failure from Helsinn (AC01).
- In March 2023, AnaCardio's founder Lars Lund published a study on ghrelin in the European Heart Journal.[2]
- In April 2023, AnaCardio reported that the first patient had been dosed in the GOAL-HF1-study – next inflection point is in 2024.
- In August 2023, AnaCardio received IND approval from the FDA for AC01 to start a clinical pharmacology study.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Heart Failure	Cardior	Novo Nordisk	Phase II	Novo Nordisk acquired Cardior Pharmaceuticals to strengthen its cardiovascular portfolio.[3]	–	1,025	March 2024
Hypertension	AstraZeneca	CinCor Pharma	Phase II	AstraZeneca acquired CinCor Pharma to strengthen cardiorenal pipeline.[4]	1,300	500	January 2023
Cardiovascular diseases	MyoKardia	Bristol Myers Squibb	Phase III	Bristol Myers Squibb förvärvade MyoKardia.[5]	13,000	–	May 2020
Heart failure	Cytokinetics	JI XING	After phase III	Cytokinetics and JI XING announced expansion of collaboration to include licensing of Omecamtiv Mecarbil in China; RTW increased its investment in Cytokinetics.[6]	50	330	December 2021
Heart failure	Heartseed	Novo Nordisk	Phase I/II	Heartseed and Novo Nordisk entered into global collaboration and licence agreement for stem cell-based therapy for heart failure.[7]	55	543	June 2020
Cardiorenal disease	Corvidia Therapeutics	Novo Nordisk	Phase IIb	Novo Nordisk acquired Corvidia Therapeutics and expand presence in cardiovascular disease.[8]	725	1,375	June 2020

1) European Heart Journal, Volume 44, Issue 22, 7 June 2023, pages 2009–2025.
2) European Heart Journal, https://academic.oup.com/eurheartj/article/44/22/2009/7076894?login=false, accessed 2024-06-03.
3) Novo Nordisk, https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=167038, accessed 2024-04-28.
4) AstraZeneca, https://www.astrazeneca.com/media-centre/press-releases/2023/astrazeneca-acquire-cincor-for-cardiorenalasset. Html, accessed 2024-04-28.
5) Bristol Myers Squibb, https://news.bms.com/news/details/2020/Bristol-Myers-Squibb-to-Acquire-MyoKardia-for-13.1-Billion-in- Cash/default.aspx, accessed 2024-04-28.
6) Cytokinetics, https://ir.cytokinetics.com/news-releases/news-release-details/cytokinetics-and-ji-xing-announce-expansioncollaboration, accessed 2024-04-28.
7) Novo Nordisk, https://www.novonordisk.com/news-and-media/news-and-ir-materials/news-details.html?id=61691, accessed 2024- 04-28.
8) Novo Nordisk, https://www.novonordisk.com/content/nncorp/global/en/news-and-media/news-and-ir-materials/news-details.html?id=279, accessed 2024-04-28.

Atrogi AB

Investment year: 2017[1)]
Capital invested as of 31 May 2024: MSEK 115.2
Share of Flerie's invested capital (%) as of 31 May 2024: 3.7 per cent
Fair value: MSEK 151.3 as of 31 December 2023 and MSEK 154.1 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 4.8 per cent
Flerie's ownership as of 31 May 2024: 34.4 per cent
Multiple on invested capital as of 31 May 2024: 1.3x

Atrogi is a clinical stage company developing a drug for the oral treatment of type 2 diabetes, based on Professor Tore Bengtsson's research at Stockholm University. The lead compound, ATR-258, is a new small molecular compound, targeting the 2-adrenoreceptor in a novel way, leading to stimulation of glucose uptake in skeletal muscle, independently of the insulin signalling pathway. This leads to improvement in glycaemic control with several additional advantageous nonglycemic effects. A phase I trial has recently been completed with the lead candidate ATR-258 in healthy volunteers and patients with type 2 diabetes, meeting both primary and secondary safety endpoints.

Recent progress

- Announced completion of phase I trial with ATR- 258 in healthy volunteers and patients with diabetes, meeting primary and secondary safety endpoints.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
CB1 receptor blocker therapies	Inversago Pharma	Novo Nordisk	Phase II	Novo Nordisk acquired Inversago Pharma to develop new therapies for people living with obesity, diabetes and other serious metabolic diseases.[2)]	Not disclosed	1,075[3)]	August 2023
Type 1 diabetes	Provention Bio	Sanofi	Commercial stage	Sanofi acquired Provention Bio, added to portfolio TZIELD, the first disease-modifying treatment for the delay of Stage 3 type 1 diabetes (T1D)[4)]	2,900[5)]	Not disclosed	March 2023
Cardiometa-bolic Diseases	Versanis Bio	Lilly	Phase IIb	Lilly acquired Versanis to improve patient outcomes in cardiometabolic diseases[6)]	Not disclosed	1,925[7)]	July 2023
AMPK activator	Betagenon	Cambrian invest	Pre phase Ib	Cambrian invested in a programme developed by Betagenon. The deal creates great conditions for further development of Betagenon's drug substance[8)]	26	–	March 2023
Therapeutic proteins	ViaCyte	Vertex	Phase I/II	Vertex acquired ViaCyte, with the Goal of accelerating its potentially curative VX-880 programs in type 1 diabetes[9)]	320	–	July 2022
Metabolic disorders	Poxel	Roivant	Phase II	Roivant and Poxel announced strate-gic agreement for development and commercialisation of Imeglimin in the U.S., Europe, and additional countries worldwide[10)]	35	600	February 2018

1) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
2) Inversago Pharma, https://inversago.com/en/2023/novo-nordisk-to-acquire-inversago-pharma-to-develop-new-therapies-forpeople-liv-ing-with-obesity-diabetes-and-other-serious-metabolic-diseases/, accessed 2024-04-28.
3) Number denotes total potential deal value including initial consideration and potential milestone payments.
4) Sanofi, https://www.sanofi.com/en/media-room/press-releases/2023/2023-04-27-12-40-19-2656379, accessed 2024-04-28.
5) Number denotes total potential deal value including upfront payment.
6) Lilly, https://investor.lilly.com/news-releases/news-release-details/lilly-acquire-versanis-improve-patient-outcomes-cardiometabolic, accessed 2024-04-28.
7) Number denotes total potential deal value including upfront payment.
8) Mynewsdesk, https://www.mynewsdesk.com/se/umeaa-biotech-incubator/pressreleases/amerikanskt-laekemedelsbolag-investerar-270-miljon-er-kronor-i-umeaafoeretag-3239606, accessed 2024-04-28.
9) Verte, https://investors.vrtx.com/news-releases/news-release-details/vertex-acquire-viacyte-goal-accelerating-its-potentially, accessed 2023-09-10.
10) Poxel, https://www.poxelpharma.com/en_us/news-media/press-releases/detail/86/roivant-and-poxel-announce-strategic-agreement-for, accessed 2024-04-28.

Buzzard Pharmaceuticals AB

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 64.2
Share of Flerie's invested capital (%) as of 31 May 2024: 2.1 per cent
Fair value of MSEK 61.8 as of 31 December 2023 and MSEK 29.1 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.9 per cent
Flerie's ownership as of 31 May 2024: 14.5 per cent
Multiple on invested capital as of 31 May 2024: 0.5x

Buzzard Pharma is a Swedish clinical stage oncology company developing a potent Interleukin-1 inhibitor, Isunakinra, for the treatment of solid tumours in combination with a PD-1 inhibitor (checkpoint inhibitor). Isunakinra is a chimeric protein binding to IL1R1, inhibiting signalling with high potency. The rights to the drug were acquired from Eleven Biotherapeutics in 2017, repositioning the drug from the ophthalmology area to oncology. Isunakinra is currently in phase I/II in solid tumour patients at the Baylor Research Institute in Dallas, Texas. The company was founded by serial biotech entrepreneur Maarten de Château, founder of Cormorant Pharmaceuticals, sold to Bristol Myers Squibb in 2016 for up to MUSD 520.

Recent progress

- Completed phase I dose escalation study of isunakinra in solid tumour patients.
- Reports from the clinical trials are being finalised.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Atopic dermatitis	Xbiotechs Bermekimab	Johnson & Johnson	Phase II	Johnson & Johnson acquired rights from Xbiotech's Bermekimab. The acquired rights relate to a monoclonal antibody (mAb) against IL-1-alpha in Phase II development for the treatment of atopic dermatitis and hidradenitis suppurativa (HDS)[1]	750	–	December 2019
Cardiovascular diseases	Cormorant	Bristol-Myers Squibb	Phase I/II	Bristol-Myers Squibb acquired Cormorant, a Sweden-based pharmaceutical company focused on developing therapies for cancer and rare diseases[2]	95[3]	425	May 2016
Immuno-therapy	VelosBio	Merck	Phase I/II	Merck acquired VelosBio, a biopharmaceutical company developing breakthrough cancer therapies, including VLS-101, for haematological malignancies and solid tumours[4]	2,750	–	November 2020
Immuno-therapy	Jounce Therapeutics	Gilead Sciences	Phase I/II	Gilead acquired Jounce Therapeutics, a clinical stage immunotherapy company developing cancer treatments that activate the immune system[5]	120[6]	685	September 2020
Immuno-therapy	Werewolf Therapeutics	Jazz Pharmaceuticals	N/A	Jazz Pharmaceuticals acquired Werewolf Therapeutics, which develops cancer immunotherapies, including WTX-124 and WTX-330, which activate the immune system in tumour sites[7]	15	1,260	April 2022
Oncology	BridgeBio	Bristol Myers Squibb	Phase I	The exclusive licence agreement between BridgeBio and Bristol Myers Squibb covers the development and commercialisation of products in the field of oncology.[8]	90	815	December 2022

1) Jonhson & Johnson, https://www.jnj.com/janssen-to-acquire-investigational-bermekimab-from-xbiotech, accessed 2024-04-28.
2) Bristol Myers Squibb, https://news.bms.com/news/details/2016/Bristol-Myers-Squibb-Acquires-Cormorant-Pharmaceuticals/default.aspx, accessed 2024-04-28.
3) Includes upfront and near term contingent milestone payments.
4) Merck, https://www.merck.com/news/merck-to-acquire-velosbio/, accessed 2024-04-28.
5) Gilead Sciences. https://www.gilead.com/news-and-press/press-room/press-releases/2020/9/gilead-sciences-and-jounce-therapeutics-announce-exclusive-license-agreement-for-novel-immunotherapy-program, accessed 2024-04-28.
6) The consideration consisted of cash and equity.
7) Jazz Pharmaceuticals, https://investor.jazzpharma.com/news-releases/news-release-details/jazz-pharmaceuticals-and-werewolf-therapeutics-announce/, accessed 2024-04-28.
8) BridgeBio, https://bridgebio.com/news/bridgebio-announces-exclusive-license-agreement-with-bristol-myers-squibb-to-develop-and-commercialize-bbp-398-a-potentially-best-in-class-shp2-inhibitor-in-oncology/, accessed 2024-04-28.

Egetis Therapeutics AB (publ)

Investment year: 2017[1)]
Capital invested as of 31 May 2024: MSEK 32.3
Share of Flerie's invested capital (%) as of 31 May 2024: 1.0 per cent
Fair value: MSEK 73.0 as of 31 December 2023 and MSEK 58.9 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 1.9 per cent
Flerie's ownership as of 31 May 2024: 2.5 per cent
Multiple on invested capital as of 31 May 2024: 1.8x

Egetis Therapeutics is a publicly listed Swedish orphan drug development company with two late-stage orphan drug assets: Emcitate® for treatment of MCT8 deficiency and Aladote® for prevention of acute liver injury caused by paracetamol poisoning. Egetis Therapeutics submitted a marketing authorisation application (MAA) for Emcitate to the European Medicines Agency (EMA) in 2023 based on existing clinical data and intend to submit a new drug application (NDA) in the US in 2024 following the read-out of the registrational ReTRIAC trial. Emcitate has been granted Rare Pediatric Disease Designation (RPDD) which gives Egetis opportunity to receive a Priority Review Voucher (PRV) on approval that may be sold or transferred to another sponsor, receiving 50 per cent of the proceeds.[2)]

Recent progress

- Announced ongoing discussions with certain external parties regarding a potential acquisition of the company that were later terminated.
- Egetis Therapeutics announced activation of first two sites in the pivotal ReTRIACt trial for Emcitate® and first patient in.
- Provided updated timeline for US NDA submission.
- Egetis Therapeutics announced that it has entered into a licence agreement with Fujimoto for the Japanese market.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Intrahepatic cholestasis	Albireo Pharma	Ipsen	Phase III	Ipsen acquired Albireo Pharma, accelerating growth in rare disease portfolio and pipeline[3)]	770	182	January 2023
Friedreich's ataxia	Reata	Biogen	Awaiting approval	Biogens acquired Reata and gained access to Reata's FDA-approved treatment for Friedreich's ataxia[4)]	7,300	–	July 2023
Rare and orphan diseases	Amryt	Chiesi	Commercial stage	Chiesi's acquisition of Amryt expands Chiesi's portfolio of orphan drugs[5)]	1,250	225	January 2023
Wilson's disease (rare disease)	Wilson	Alexion	Phase III	Alexion acquired Swedish treatment for Wilson's disease[6)]	855	–	April 2018

1) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
2) Egetis Therapeutics, https://www.egetis.com/mfn_news/fda-grants-rare-pediatric-disease-designation-to-emcitate/, accessed 2024-06- 03.
3) Ipsen, https://www.ipsen.com/press-releases/ipsen-completes-acquisition-of-albireo-expanding-the-scope-of-its-rare-disease-portfolio/, accessed 2024-04-28.
4) Biogen, https://investors.biogen.com/news-releases/news-release-details/biogen-acquire-reata-pharmaceuticals, accessed 2024-04-28.
5) Chiesi, https://www.chiesi.com/en/chiesi-farmaceutici-s.p.a.-to-acquire-amryt-pharma-plc/, accessed 2024-04-28.
6) Alexion, https://media.alexion.com/news-releases/news-release-details/alexion-acquire-wilson-therapeutics, accessed 2024-04-28.

Empros Pharma AB

Investment year: 2013
Capital invested as of 31 May 2024: MSEK 166.9
Share of Flerie's invested capital (%) as of 31 May 2024: 5.3 per cent
Fair value: MSEK 128.9 as of 31 December 2023 and MSEK 204.5 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 6.4 per cent
Flerie's ownership as of 31 May 2024: 78.6 per cent
Multiple on invested capital as of 31 May 2024: 1.2x

Empros is a late phase clinical stage company developing EMP16, an oral anti-obesity drug product. Although the recently developed injectable anti-obesity drugs show impressive efficacy in terms of weight loss, Empros expects the indication and treatment paradigm for obesity to mature similarly to other major indications, such as hypertension or type 2 diabetes, where multiple targets are necessary to cover different patient needs and preferences, and in particular to open up for combination therapies aiming at different targets. EMP16 offers an innovative approach with reduced risk in an attractive market for the treatment of obesity, which is expected to be between USD 30–50 billion at the time of approval of EMP16, giving hope to patients seeking a safe and affordable pharmaceutical support to reduce and maintain their body weight and improve their health.[1)]

EMP16 is a re-purposing of established weight-loss and diabetes drugs (orlistat and acarbose). The new controlled-release formulation has an impressive therapeutic effect, while avoiding the troublesome side effects of the two compounds on their own, improving compliance and quality of life. The aim is to develop a safe oral first-line treatment for a growing patient group, with additional opportunities for paediatric, OTC and maintenance use.
A phase IIa study has demonstrated a 6 per cent weight loss compared to placebo, with a second phase IIa study completed in 2024, comparing EMP16 with MR-orlistat and Xenical, reporting positive topline data and an average weight loss close to eight per cent.

Empros has promising data on comorbidities such as CVD, T2D and liver health (NAFLD) from the phase II program. The company plans to study these further in the pivotal program, and aims for an NDA in 2026 targeting obesity. It is a logical extension of the clinical program to make claims in, e.g., long term weight maintenance (within the obesity indication) as well as in other indications such as CVD, T2D and NAFLD with NDA in 2027 or later dependent on the scope. During the coming year, EMP16 is expected to enter phase III. Since EMP16 is a 505b2 product, Empros will not have to demonstrate any further safety in the phase III program. All safety will be bridged from Xenical and Precose files, and the number of patients in the study is thus very low. Furthermore, with this tight pivotal programme, Empros can potentially file in 2026 and launch already in 2027. After launch, Empros can proceed with larger studies with different requirements and indications.

Recent progress

- Results from phase IIa trial published in Obesity November 2022 issue and awarded Editor's Choice.
- Completed enrolment for phase IIb obesity trial.
- Fourth obesity clinical trial, COBEX, approved by the Swedish Medical Authorities to investigate pharmacokinetic and pharmacodynamic properties in healthy volunteers.
- SESAM trial (phase IIa study) completed with positive topline data.

1) Morgan Stanley Obesity Report 2023 and Empros Pharma, https://emprospharma.com/empros-phase-2b-obesity-trial-enrollment-complete-in-only-one-monthconfirming-unmet-medical-need-top-line-data-to-be-released-in-the-firstquarter-of-2024/, accessed 2024-04-28.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
CB1 receptor blocker therapies	Inversago Pharma	Novo Nordisk	Phase II	Novo Nordisk acquired Inversago Pharma to develop new therapies for people living with obesity, diabetes and other serious metabolic diseases[1]	Not disclosed	1,075[2]	August 2023
Cardiometa-bolic Diseases	Versanis Bio	Lilly	Phase IIb	Lilly acquired Versanis to improve patient outcomes in cardiometabolic diseases[3]	Not disclosed	1,925[4]	July 2023
AMPK activator	Cambrian	Betagenon	Pre phase Ib	Cambrian invested in a programme developed by Betagenon. The deal creates conditions for further devel-opment of Betagenon's drug substance[5]	26	–	March 2023
Obesity	Novo Nordisk	Embark biotech	Not applicable	Novo Nordisk acquired Embark and their new obesity target, and enters into an R&D agreement with spinout company[6]	16	496	August 2023

1) Inversago, https://inversago.com/en/2023/novo-nordisk-to-acquire-inversago-pharma-to-develop-new-therapies-for-people-living-with-obesity-diabetes-and-other-serious-metabolic-diseases/, accessed 2024-04-28.
2) Number denotes total potential deal value including upfront payment and potential milestone payments.
3) Versanis, https://www.versanisbio.com/news/lilly-to-acquire-versanis-to-improve-patient-outcomes-in-cardiometabolic-diseases/, accessed 2024-04-28.
4) Number denotes total potential deal value including upfront payment and potential milestone payments.
5) Mynewsdesk, https://www.mynewsdesk.com/se/umeaa-biotech-incubator/pressreleases/amerikanskt-laekemedelsbolag-investerar-270-miljoner-kronor-i-umeaafoeretag-3239606, accessed 2024-04-28.
6) Pharmaceutical technology, https://www.pharmaceutical-technology.com/news/novo-nordisk-embark-metabolic-programme/, accessed 2024-04-28.

EpiEndo Pharmaceuticals EHF

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 63.1
Share of Flerie's invested capital (%) as of 31 May 2024: 2.0 per cent
Fair value: MSEK 73.4 as of 31 December 2023 and MSEK 0.0 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.0 per cent
Flerie's ownership as of 31 May 2024: 9.7 per cent
Multiple on invested capital as of 31 May 2024: 0.0x

EpiEndo Pharmaceuticals is an Icelandic biopharmaceutical company in clinical stage with an approach to treating inflammatory lung disorders that focuses on the enhancement of epithelial barrier integrity to reduce disease-causing inflammation. Epithelial cells are a key part of the barrier that makes up human lung tissue and other organs such as the gut and skin. A breakdown of this barrier is implicated in several chronic inflammatory diseases. EpiEndo Pharmaceuticals new class of orally available macrolide, with reduced AMR effect, known as a 'Barriolide', shows promise as a therapeutic for chronic respiratory diseases as well as other inflammatory indications. EpiEndo Pharmaceuticals lead asset, EP395, is the first Barriolide to enter into Phase II clinical trials, for chronic obstructive pulmonary disease (COPD). EP395, aims to be the first on-market oral, barrier strengthening and anti-inflammatory macrolide with reduced AMR effect, for the treatment of COPD, which has a significant unmet need. According to the WHO, COPD is the third leading cause of death globally, and the global economic burden of COPD projected to cost USD 4.8 trillion by 2030.[1]

Recent progress

- Completed Phase I First Time in Human (FTIH) study with EP395 in healthy subjects.
- Commenced phase IIa clinical trial with lead molecule EP395 in COPD patients.
- Commenced Phase IIa trial and LPS challenge study with EP395 in COPD patients.
- Completed Phase IIa trial demonstrating safety and tolerability, with biomarkers demonstrating anti-inflammatory effects. However, the company was unable to see improvement of epithelial integrity, leading to a strategic rethink.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Respiratory diseases	Affibody	Chiesi Farmaceutici	Phase II	Chiesi Farmaceutici entered into a collaboration with Affibody to develop new inhaled treatments for respiratory diseases[2]	423	214	March 2023
Respiratory syncytial virus (RSV)	ReViral	Pfizer	Phase I/II	The acquisition of ReViral provided Pfizer a portfolio of promising therapeutic candidates, including sisunatovir, an orally administered inhibitor designed to block fusion of the RSV virus to the host cell[3]	Not disclosed	525[4]	June 2022
NRF2 activator	C4X Discovery	AstraZeneca	Pre-clinical	C4XD entered into an exclusive global licence worth up to MUSD 402 with AstraZeneca for the development and commercialisation of the NRF2 activator programme[5]	2	400	November 2022

1) WHO, https://www.who.int/news-room/fact-sheets/detail/chronic-obstructive-pulmonary-disease-(copd), accessed 2024-04-28.
2) Affibody, https://www.affibody.se/press/affibody-and-chiesi-group-collaborate-to-develop-and-commercialize-innovative-treatments-for-respiratory-diseases/, accessed 2024-04-28.
3) Pfizer, https://www.pfizer.com/news/press-release/press-release-detail/pfizer-completes-acquisition-reviral, accessed 2024-04-28.
4) Number denotes total potential deal value including upfront payment and potential milestone payments.
5) C4X discovery, https://www.c4xdiscovery.com/c4xd-signs-exclusive-global-licence-worth-up-to-402-million1-with-astrazeneca-for-the-development-and-commercialisation-of-nrf2-activator-programme/, accessed 2024-04-28.

Geneos Therapeutics, Inc.

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 77.6
Share of Flerie's invested capital (%) as of 31 May 2024: 2.5 per cent
Fair value: MSEK 96.4 as of 31 December 2023 and MSEK 101.0 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 3.2 per cent
Flerie's ownership as of 31 May 2024: 12.3 per cent
Multiple on invested capital as of 31 May 2024: 1.3x

Geneos Therapeutics is a US-based clinical stage biotherapeutics company developing personalised therapeutic cancer vaccines (PTCVs). The company's approach, using its proprietary GT-EPIC™ platform, is to target neoantigens (abnormal immune-exposed elements) from individual patient tumours to develop novel and personalised treatments for cancer. They are targeting solid tumours, initially liver cancer (hepatocellular carcinoma, HCC). There is an ongoing phase Ib/IIa trial in second-line HCC patients, with encouraging results, including a number of complete responses and complete molecular responses, pointing towards a potential cure in a patient group known for its poor prognosis. The company is planning a new trial in the adjuvant setting (HCC) and has established manufacturing supply partnerships, notably an in-depth collaboration with NorthX Biologics. As manufacturing turnaround time is of utmost importance for these cancer patients, NorthX Biologics can support Geneos Therapeutics by optimising for a fast turnaround of these GMP plasmid DNA vaccines to significantly less than the current 12 weeks.

Geneos Therapeutics' goal is to use all possible neoantigens and then let the patient's immune system decide which antigens will drive an immune response and lead to clinical efficacy. Geneos Therapeutics are currently in clinical phase with up to 40 neoantigens for each patient (using an undisclosed selection method) and have clinical data showing that patients treated with more antigens respond better compared to patients treated with fewer, without seeing antigenic interference with this approach. The platform has a relatively low COGS and shorter manufacturing lead times compared to AAV or mRNA-based vaccines or CAR T-cell therapies, and drives both CD8 and CD4 responses compared to many other modalities.

Geneos Therapeutics is conducting a phase IIa trial (Jaipur) in 36 advanced stage patients with inoperable tumours, a significant hurdle to overcome as patients are fragile and the disease is advanced, and published their results in Nature Medicine in April 2024. Flerie further estimates significant additional benefits for NorthX Biologics if it continues to scale up and manufacture for Geneos Therapeutics.

Co-investors in Geneos Therapeutics include Santé Ventures, Inovio, Korea Investment Partners, 3B Future Health Fund, Shanghai Healthcare Capital among others.

The Geneos Therapeutics GT-EPIC™ platform includes the following six steps:

1. The tumour is examined by biopsy (day 0).
2. Sequencing of DNA and RNA.
3. Neoantigens are identified, and the vaccine is designed.
4. The patient-specific DNA insert is synthesised and cloned into the plasmid.
5. The pharmaceutical product DNA plasmid is manufactured according to current good manufacturing practices.
6. The patient is treated with the first dose (day 42–56).

The whole process normally takes 42–56 days. However, efforts are being made to reduce the time from biopsy to vaccine administration to less than four weeks. This is crucial for patients with advanced cancer as it allows them to receive the vaccine as soon as possible.

Recent progress

- In an update provided by Geneos Therapeutics in April 2024, the ORR (overall response rate) for GT-30 was currently at 30.6 per cent (11/36), including three complete responses (CR) and eight partial responses. The treatment was safe and well tolerated. This was statistically significant versus a pre-specified historical control of 16.9 per cent for pembrolizumab monotherapy. Reductions of at least 50 per cent versus baseline in patient ctDNA, an exploratory endpoint, were seen in 40.7 per cent of patients (11 of 27 patients for whom the full data set are available). All such responses correlate with ongoing survival.
- The above findings were published in an article in the journal Nature Medicine and have had a major impact. This in turn has contributed to renewed attention to personalised cancer vaccines in general and Geneos Therapeutics in particular.[1)]
- In March 2024, Geneos Therapeutics was shortlisted as finalist for Best Therapeutic Vaccine at The World Vaccine Congress (alongside BioNTech, Gritstone, Merck/Moderna, Nouscom and Vaxine).

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Personalised cancer vaccine	Moderna	Merck	Phase II	Merck exercised option with Moderna for joint development and commercialisation of investigational personalised cancer vaccine[2)]	250	–	October 2022
Cancer vaccines	BioNTech	Genentech	Pre-clinical	BioNTech entered into worldwide strategic collaboration with Genentech to develop individualised mRNA cancer therapies[3)]	Not disclosed	310[4)]	September 2016
Novel immuno-therapies	Nykode	Genentech	Phase I	Nykode, formerly Vaccibody, entered into worldwide license and collaboration agreement with Genentech to develop neoantigen cancer vaccines[5)]	200	515	October 2020
Immuno-oncology	Neogene Therapeutics	AstraZeneca	Pre-clinical	AstraZeneca entered into an agreement to acquire Neogene Therapeutics, a biotech company in the development and manufacturing of next-gen T-cell receptor therapies[6)]	200	120	November 2022

1) Springer Nature Limited, https://www.nature.com/articles/s41591-024-02894-y, accessed 2024-06-03.
2) Merck, https://www.merck.com/news/moderna-and-merck-announce-mrna-4157-v940-an-investigational-personalized-mrna-cancer-vaccine-in-combination-with-keytruda-pembrolizumab-met-primary-efficacy-endpoint-in-phase-2b-keynote-94/, accessed 2024-04-28.
3) Biontech, https://investors.biontech.de/news-releases/news-release-details/biontech-enter-worldwide-strategic-collaboration-genentech/, accessed 2024-04-28.
4) Number denotes total potential deal value including upfront payment and potential milestone payments.
5) Nykode, https://nykode.com/vaccibody-enters-into-worldwide-license-and-collaboration-agreement-with-genentech-a-member-of-the-roche-group-to-develop-individualized-neoantigen-cancer-vaccines/, accessed 2024-04-28.
6) AstraZeneca, https://www.astrazeneca.com/media-centre/press-releases/2022/astrazeneca-to-acquire-neogene-therapeutics-accelerating-ambition-in-oncology-cell-therapy.html, accessed 2024-04-28.

KAHR Medical Ltd

Investment year: 2012
Capital invested as of 31 May 2024: MSEK 352.2
Share of Flerie's invested capital (%) as of 31 May 2024: 11.3 per cent
Fair value: MSEK 174.3 as of 31 December 2023 and MSEK 198.7 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 6.2 per cent
Flerie's ownership as of 31 May 2024: 30.8 per cent
Multiple on invested capital as of 31 May 2024: 0.6x

KAHR Medical is an Israeli clinical stage cancer immunotherapy company developing novel bi-functional fusion proteins. KAHR Medicals customisable immuno-recruitment cancer drug candidates utilise various methods to synergistically disable cancer defences and activate a targeted response involving both innate and adaptive immunity. Their Multifunctional Immune Recruitment Protein (MIRP) platform is used to develop next generation solid and haematological tumour treatments with a number of ongoing clinical and preclinical programmes. KAHR Medical's lead product, DSP107, is a CD47x41BB targeting agent currently in clinical development for patients with solid tumours. KAHR Medical previously focused on Fn14/TRAIL and CTLA-4 assets, but these suffered from manufacturing issues and the new management team and board of directors made a decision to move to the drug candidate DSP107.[1)]

DSP107's conditional 4-1BB-mediated T-cell activation is dependent on trimeric binding to CD47 on cancer cells, enabling activation of both the innate and adaptive immune system in a safe and effective manner. The recent Phase I update at the American Society of Clinical Oncology 2023 confirmed that DSP107 was well tolerated with no dose-limiting toxicity and no haematological or hepatotoxic effects up to and including the highest dose tested.[2)]

KAHR Medical's lead program DSP107 is in a Phase I/II trial with expansion of Phase II cohorts in colorectal cancer (MSS CRC) expecting topline results in the second half of 2024 and lung cancer (NSCLC). A study in myeloid leukaemia (AML) and myelodysplastic syndrome (MDS) is also ongoing.

DSP107 uses CD47 blockade together with 4-1BB co-stimulation (of T cells), leading to activation of the adaptive immune system in addition to the innate one. DSP107 is also being studied in patients with AML and MDS, with no binding to red blood cells (anaemia) even in relapsed or refractory AML/MDS. According to Flerie, this indicates a competitive profile.

KAHR Medical's drug candidate DSP107 in the indications MSS CRC, NSCLC is in the middle of a phase II study. In the indication AML/MDS, DSP107 is in the final stage of a phase Ib trial. KAHR Medical's drug candidates DSP216 and DSP502 are both in the final stages of the pre-clinical phase.

Recent progress

- Announced in September 2019 clinical collaboration agreement with Roche, supplying TECENTRIQ® (atezolizumab) in Phase I/II DSP107 trial.
- Reported in June 2023 dose escalation results from the Phase I trial of DSP107 in combination with anti PD-L1 in patients with advanced solid tumours to the American Society of Clinical Oncology (ASCO). At the highest dose level (selected for the dose expansion cohorts), the combined treatment demonstrated a disease control rate of 57 per cent. Two out of three patients with colorectal cancer (MSS-CRC) experienced deep and durable objective responses, with target lesion shrinkage of 73 per cent and 83 per cent and disappearance of metastatic lesions in one patient.[3)]
- In the first half of 2024, phase II expansion cohorts in third line MSS-CRC and second/third line NSCLC are ongoing.

1) Fierce Biotech, https://www.fiercebiotech.com/biotech/kahr-raises-18m-to-test-cd47-drug-roche-s-tecentriq, accessed 2024-04-28.
2) KAHR Medical, https://kahrbio.com/wp-content/uploads/2022/10/KAHR-non-confidential-presentation-October-2022.pdf, accessed 2024-04-28 and American Society of Clinical Oncology https://ascopubs.org/doi/abs/10.1200/JCO.2023.41.16_suppl.2632, accessed 2024-04-28.
3) Kahr Bio, https://kahrbio.com/kahr-reports-dose-escalation-results-from-phase-i-trial-of-dsp107-in-combination-with-anti-pd-l1-in-patients-with-advanced-solid-tumors/, accessed 2024-04-28.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Blood cancer	Forty Seven	Gilead	Phase Ib	Gilead acquired immuno-oncology company Forty Seven to strengthen its cancer drug pipeline[1]	4,900	–	March 2020
Immuno-oncology	Trillium Therapeu-tics	Pfizer	Phase Ib/II	Pfizer acquired Trillium Therapeutics, a clinical stage immuno-oncology company, to enhance its oncology portfolio[2]	2,220	–	August 2021
Colorectal cancer drug	Hutchmed	Takeda	Phase III	Takeda acquired the rights to Hutchmed's cancer drug fruquintinib outside of China[3]	400	730	January 2023
Immuno-oncology	iTeos	GSK	Phase I	GSK acquired iTeos' anti-TIGIT anti-body for cancer immunotherapy, enabling novel next-generation immune-oncology combinations[4]	625	1,450	June 2021

1) Gilead, https://www.gilead.com/news-and-press/press-room/press-releases/2020/3/gilead-to-acquire-forty-seven-for-49-billion, accessed 2024-04-28.
2) Pfizer, https://www.pfizer.com/news/press-release/press-release-detail/pfizer-acquire-trillium-therapeutics-inc, accessed 2024-04-28.
3) Hutchmed, https://www.hutch-med.com/fruquintinib-outside-china-partnership-with-takeda/, accessed 2024-04-28.
4) GSK, https://www.gsk.com/en-gb/media/press-releases/gsk-and-iteos-therapeutics-announce-development/, accessed 2024-04-28.

Lipum AB (publ)

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 103.0
Share of Flerie's invested capital (%) as of 31 May 2024: 3.3 per cent
Fair value: MSEK 19.4 as of 31 December 2023 and MSEK 125.9 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 4.0 per cent
Flerie's ownership as of 31 May 2024: 56.8 per cent
Multiple on invested capital as of 31 May 2024: 1.2x

Lipum is a publicly listed Swedish clinical stage drug development company. Its biological anti-inflammatory drug candidate SOL-116 has a novel mechanism of action targeting the BSSL protein (originally found in breast milk). Their initial focus is on the treatment of rheumatoid arthritis, but they are in parallel exploring additional inflammatory diseases with a high unmet medical need such as juvenile idiopathic arthritis and inflammatory bowel disease. Lipum is evaluating SOL-116 in a clinical phase I study in healthy volunteers and patients with rheumatoid arthritis.

Flerie Invest submitted a mandatory bid to the shareholders in Lipum during 2024.

Recent progress

- Reported that the scientific publication titled "Effects of bile salt-stimulated lipase on blood cells and associations with disease activity in human inflammatory joint disorders" was published in the peer-reviewed, open access journal PLOS ONE.[1)]
- Entered a collaboration with researchers at the Karolinska Institute (KI), Division of Rheumatology.
- In March 2024, Lipum announced positive interim results from clinical phase I study showing that SOL-116 reduces plasma BSSL levels in healthy subjects.
- Carl-Johan Spak (Senior Advisor, Flerie) joined the board.

1) PLOS ONE, https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0289980, accessed 2024-06-03.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Inflammatory diseases	Aqilion	Merck	Pre-clinical	Aqilion and Merck partnered to develop protein inhibitors. The collaboration will develop advanced treatments for inflammatory and autoimmune diseases[1]	Not disclosed	1,020[2]	February 2023
Autoimmune	Cugene	AbbVie	Phase Ia	AbbVie and Cugene enter into collaboration regarding autoimmune diseases[3]	49	Not disclosed	March 2022
Bowel disease	Arena Pharmaceuticals	Pfizer	Phase III	Pfizer acquired Arena Pharmaceuticals' promising treatment candidate targeting gastrointestinal diseases[4]	6,700	–	December 2021
Biologics and antibody drugs	AprilBio	Lundbeck	Phase I	Lundbeck acquired exclusive rights to APB-A1, an innovative phase I biotherapeutic product for the treatment of neuroimmune diseases from AprilBio[5]	16	432	October 2021
Autoimmune diseases	Pandion Therapeutics	Merck	Phase Ia	Merck acquired Pandion Therapeutics, a clinical-stage biotechnology company developing new treatments to address the unmet needs of patients with autoimmune diseases[6]	1,850	–	February 2021
Autoimmune diseases	Alpine Immune Sciences	AbbVie	Phase II ready	AbbVie acquired a lupus and autoimmune disease asset developed by Alpine Immune Sciences[7]	60	745	June 2020
Atopic dermatitis	Xbiotecs Bermekimab	Johnson & Johnson	Phase II	Johnson & Johnson acquired the rights to Bermekimab from Xbiotecs, a monoclonal antibody (mAb) against IL-1-alpha in Phase II development for the treatment of atopic dermatitis and hidradenitis suppurativa[8]	750	–	December 2019
Protein degradation	Nurix	Gilead	Discovery phase	Nurix and Gilaed entered into a collaboration that gives Gilead exclusive rights to Nurix's IRAK4 degrader, NX-0479, which aims to block inflammatory receptors downstream of the tumour[9]	20	425	March 2023

1) Aquilion, https://www.aqilion.com/en/aqilion-announces-pre-clinical-licensing-and-strategic-research-collaboration-agreement-with-merck/, accessed 2024-04-28.
2) Number denotes total potential deal value including upfront payment and potential milestone payments.
3) Abbvie, https://news.abbvie.com/news/press-releases/abbvie-and-cugene-announce-collaboration-in-autoimmune-diseases.htm, accessed 2024-04-28.
4) Pfizer, https://www.pfizer.com/news/press-release/press-release-detail/pfizer-completes-acquisition-arena-pharmaceuticals, accessed 2024-04-28.
5) Lundbeck, https://news.cision.com/h--lundbeck-a-s/r/lundbeck-receives-exclusive-rights-to-apb-a1--an-innovative-phase-i-ready-bio-therapeutic-for-the-tr,c3432091, accessed 2024-04-28.
6) Merck, https://www.merck.com/news/merck-to-acquire-pandion-therapeutics/, accessed 2024-04-28.
7) Fiercebiotech, https://www.fiercebiotech.com/biotech/abbvie-spends-60m-805m-biobucks-for-alpine-immune-s-lupus-asset, accessed 2024-04-28.
8) Johnson & Johnson, https://www.jnj.com/janssen-to-acquire-investigational-bermekimab-from-xbiotech, accessed 2024-04-28.
9) Gilead, https://www.gilead.com/news-and-press/press-room/press-releases/2023/3/gilead-exercises-option-to-license-nurixs-irak4-targeted-protein-degrader-development-candidate-nx0479, accessed 2024-04-28.

Mendus AB (publ)

Investment year: 2023
Capital invested as of 31 May 2024: MSEK 115.7
Share of Flerie's invested capital (%) as of 31 May 2024: 3.7 per cent
Fair value: MSEK 104.4 as of 31 December 2023 and MSEK 118.8 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 3.7 per cent
Flerie's ownership as of 31 May 2024: 23.9 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

Mendus is a listed Swedish company based in Sweden and the Netherlands developing standardised, dendritic cell-based immunotherapies for the treatment of tumour recurrence. Mendus utilises its expertise in allogeneic dendritic cell biology to develop an advanced clinical pipeline of novel, off-the-shelf, cell-based immunotherapies which combine clinical efficacy with a benign safety profile. Mendus's lead programme vididencel will be investigated in a Phase II trial in acute myeloid leukaemia patients in combination with Onureg. It is also being investigated in a Phase I trial (ALISON) for ovarian cancer. In addition, ilixadencel is to be studied in a Phase II proof-of-concept trial in GIST in combination with a TKI.

Recent progress

- Mendus and NorthX Biologics announced strategic cell therapy manufacturing alliance.
- Published preclinical data demonstrating synergies of ilixadencel and 4-1BB-targeting immunotherapies.
- In December 2023, Mendus announced new collaboration with the Australasian Leukaemia & Lymphoma Group (ALLG) to conduct phase II CADENCE trial and that the study would start in April 2024.

Microbiotica Limited

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 130.2
Share of Flerie's invested capital (%) as of 31 May 2024: 4.2 per cent
Fair value: MSEK 127.7 as of 31 December 2023 and MSEK 133.8 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 4.2 per cent
Flerie's ownership as of 31 May 2024: 11.0 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

Microbiotica is a UK based microbiome company, spun-out from the Sanger Institute in Cambridge, UK in 2016. Microbiotica is a leading player in the field of microbiome-based therapeutics and biomarkers. The company can identify gut bacteria linked to phenotype with unprecedented precision in order to discover and develop live bacterial therapeutics (LBPs) and biomarkers from clinical datasets, initially focussing on immune-oncology (IO) and ulcerative colitis (UC). The aim is to develop LBPs that can increase the response rate of cancer patients to immune checkpoint inhibitors and induce remission in patients with inflammatory bowel disease. Microbiotica's two lead products, both orally-delivered capsules containing fully manufactured bacterial consortia, MB097 (immuno-oncology candidate) and MB310 (ulcerative colitis candidate) will be evaluated in Phase Ib clinical studies. In addition to its lead programs, Microbiotica is developing a pipeline of follow-on candidates and biomarkers. Microbiotica has partnered with leading organisations, such as Cancer Research UK, Cambridge University Hospitals, University of Adelaide and Genentech.

Recent progress

- Received Crohn's & Colitis Foundation funding for UC programme.
- Tim Sharpington announced as new CEO.
- Clinical trial collaboration with MSD to evaluate MB097 in combination with pembrolizumab in a phase Ib clinical trial in melanoma.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Inflammatory Bowel Disease (IBD)	Prometheus	Merck	Completed	Merck acquired Prometheus to gain research capacity and strengthen the pipeline with a new candidate for the treatment of ulcerative colitis, Crohn's disease and other autoimmune diseases[1]	10,800	–	June 2023
Clostridioides difficile infection (CDI)	Seres	Nestlé HS	Completed phase III	Agreement between Seres and Nestlé HS to co-promote SER-109, the former's investigational drug for recurrent Clostridioides difficile infection (CDI) in North America[2]	175	125	July 2021
Vaccines	4D Pharma	Merck	Discovery phase	Merck entered into an agreement with 4D Pharma to develop vaccines based on delivering live bacteria to the gut, with the aim to develop vaccines against three undisclosed conditions[3]	Not disclosed	348[4]	October 2019
Inflammatory Bowel Disease (IBD)	Gilead	Second Genome	Discovery phase	Gilead entered into a strategic collaboration with Second Genome, a specialist in microbiome and therapeutic biomarkers, to work on clinical biomarkers and drug development in IBD[5]	190	1,500	April 2020
Inflammatory Bowel Disease (IBD)	Genentech	Novome Bio-technologies	Phase I	Novome Biotechnologies and Genentech entered into a strategic collaboration to develop targets for inflammatory bowel disease[6]	15	590	November 2021

1) Merck, https://www.merck.com/news/merck-completes-acquisition-of-prometheus-biosciences-inc/, accessed 2024-04-28.
2) Pharmaceutical technology, https://www.pharmaceutical-technology.com/news/seres-nestle-microbiome-therapeutic/, accessed 2024-04-28.
3) Biospace, https://www.biospace.com/article/4d-pharma-inks-deal-with-merck-to-develop-live-biotherapeutics-vaccines/, accessed 2024-04-28.
4) Number denotes total potential deal value including upfront payment and potential milestone payments.
5) Gilead, https://www.gilead.com/news-and-press/press-room/press-releases/2020/4/gilead-sciences-and-second-genome-announce-strategic-collaboration-in-biomarker-and-inflammatory-bowel-disease-drug-discovery, accessed 2024-04-28.
6) Novome, https://www.globenewswire.com/news-release/2021/11/10/2331578/0/en/Novome-Biotechnologies-and-Genentech-Enter-into-a-Strategic-Collaboration-to-Develop-Targets-Against-Inflammatory-Bowel-Disease.html, accessed 2024-04-28.

Prokarium Holdings Ltd

Investment year: 2014
Capital invested as of 31 May 2024: MSEK 257.1
Share of Flerie's invested capital (%) as of 31 May 2024: 8.2 per cent
Fair value: MSEK 448.5 as of 31 December 2023 and MSEK 470.0 as of 31 March 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 14.8 per cent
Flerie's ownership as of 31 May 2024: 42.2 per cent
Multiple on invested capital as of 31 May 2024: 1.8x

Prokarium is a UK-based clinical stage biopharmaceutical company, pioneering the field of microbial immunotherapy. Their pipeline is designed to unlock the next level of immuno-oncology by building on the most recent advances in cancer immunology. Prokarium's lead program is focused on transforming the treatment paradigm in bladder cancer by orchestrating immune-driven, long-lasting antitumour effects. It builds on the natural ability of their bacterial strains to seek out and colonise solid tumours. They have developed attenuated strains capable of targeting tumours without causing pathology in normal tissues. These strains are also capable of delivering specific immunostimulatory cargo aimed at activating the patient's immune system to destroy tumours. In parallel, the company is developing an oral RNA platform in collaboration with US-based Ginkgo Bioworks, which has invested MUSD 30 with Flerie. Flerie believes that the current standard of care for medium- and high-risk non-muscle invasive bladder cancer has a high recurrence rate despite multiple treatment options and that there are significant opportunities to improve the patient experience and treatment outcomes.

Co-investors in Prokarium include Korea Investment Partners, Riyadh Valley Co, British Business Bank and Ginkgo Bioworks.

Prokarium's lead programme in NMIBC is in early clinical development, and IO prime is in pre-clinical phase. Prokarium's RNA delivery platform is in early pre-clinical phase.

Recent progress

- Prokarium's live attenuated Salmonella enterica typhi strain ZH9 was studied in a mouse bladder cancer model. Proof-of-concept data was presented at the Society for Immunotherapy of Cancer's (SITC) annual meeting 2021. Mice were treated with an intravesicular (bladder) dose of ZH9 four days after tumour provocation and compared to a group receiving the current standard of care BCG, as well as a control group. This showed that ZH9-treated animals experienced a significant survival benefit. When the animals were re-exposed to the tumour, the study showed 100 per cent protection. It also showed a strong local immune response.[1)]
- In March 2022, Prokarium exercised the option for an exclusive worldwide licence for the use of salmonella immunotherapy in bladder cancer from CHUV (Lausanne).
- In February 2023, Prokarium announced a partnership with Ginkgo Bioworks to take its lead programme to clinical phase and to build a new therapeutic platform through a MUSD 30 financing.
- In the summer of 2023, Prokarium achieved key CMC toxicology milestones and initiated Phase I of the clinical trial.
- In February 2024, the company announced that the first patient had been dosed in the PARADIGM-1 phase I/Ib clinical trial in patients with non-muscle invasive bladder cancer (NMIBC).

1) Prokarium, https://www.prokarium.com/prokarium-shares-preclinical-proof-of-concept-data-on-its-microbial-immunotherapy-bladder-cancer-program-at-sitc-2021, accessed 2024-04-28.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Bacterial delivery platform	T3 Pharma	Boehringer Ingelheim	Discovery phase	Boehringer Ingelheim expanded its immuneoncology portfolio with the acquisition of bacterial cancer therapy specialist T3 Pharma.[1]	Not disclosed	509[2]	November 2023
Urothelial and specialty cancers	UroGen Pharma	Not applicable (fundraise)	Phase III completed	The net proceeds are intended to be used for non-clinical and clinical development activities for the company's product candidates, commercialisation costs and general corporate purposes[3]	120	–	July 2023
Cancer drug	Ferring Pharmaceuticals	Royalty Pharma	Recently approved	Royalty entered into an agreement with Ferring to collect royalties on the FDA-approved drug Adstiladrin (nadofaragene firadenovecvncg) for the treatment of bladder cancer[4]	300	200	August 2023

1) Boehringer Ingelheim, https://www.boehringer-ingelheim.com/science-innovation/human-health-innovation/boehringer-acquires-t3-pharma, accessed 2024-04-28,
2) Number denotes total potential deal value including upfront payment and potential milestone payments.
3) Urogen, https://investors.urogen.com/news-releases/news-release-details/urogen-announces-120-million-private-placement-ordinary-shares/, accessed 2024-04-28.
4) Ferring, https://www.fiercepharma.com/pharma/ferring-inks-500m-deal-royalty-pharma-new-bladder-cancer-drug-adstiladrin, accessed 2024-04-28.

Sixera Pharma AB

Investment year: 2017
Capital invested as of 31 May 2024: MSEK 25.7
Share of Flerie's invested capital (%) as of 31 May 2024: 0.8 per cent
Fair value: MSEK 25.7 as of 31 December 2023 and MSEK 25.7 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.8 per cent
Flerie's ownership as of 31 May 2024: 23.5 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

Sixera Pharma is a Swedish clinical stage company developing a new treatment for Netherton syndrome, an ultra-orphan (very rare) and serious skin condition. The lead candidate SXR1096 is a small molecule formulated in a cream that is applied topically on the skin, comprising of a specific inhibitor of certain proteases (Kallikreins 5, 7, and 14). SXR1096 has the potential of becoming the first available treatment for this patient group, and it has received orphan drug designation (ODD) both by the EMA and the FDA for the treatment of Netherton syndrome. A phase I/II proof of concept study is being carried out to evaluate the safety and efficacy of the drug in patients at five European sites. The company's CEO is serial biotech entrepreneur Maarten de Château, founder of Cormorant Pharmaceuticals, sold to Bristol Myers Squibb in 2016 for up to MUSD 520.

Recent progress

- Received rare paediatric disease designation from FDA for SXR1096 for treatment of Netherton Syndrome.[1)]

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Congenital ichthyosis	Timber Pharma-ceuticals	LEO Pharma	Completed phase II	LEO Pharma acquired Timber Pharmaceuticals. The transaction added a late-stage asset to LEO Pharma's pipeline in medical dermatology[2)]	14	22	August 2023
Retinoic acid receptor gamma agonist	Clementia Pharma-ceuticals	Ipsen	Completed phase II	Ipsen entered into an agreement to acquire Clementia Pharmaceuticals for its late-phase rare disease drug palovarotene[3)]	1,004	263	February 2019
Congenital hyperinsulinism	Xinvento B.V.	Rhythm Pharmaceuticals	Pre-clinical	Rhythm Pharmaceuticals acquired Xinvento B.V. and portfolio of Investigational Therapeutics[4)]	5	206	February 2023

1) Sixera Pharma, https://sixerapharma.com/sixera-pharma-receives-rare-pediatric-disease-designation-rpdd-from-fda-for-sxr1096-fortreatment-of-netherton-syndrome/, accessed 2024-06-03.
2) Leopharma, https://www.leo-pharma.com/media-center/news/2023-leo-pharma-signs-agreement-to-acquire-timber-pharmaceutical, accessed 2024-04-28.
3) Ipsen, https://www.ipsen.com/press-releases/ipsen-completes-acquisition-of-clementia-pharmaceuticals/, accessed 2024-04-28.
4) Pharmaceutical Technology, https://www.pharmaceutical-technology.com/news/rhythm-biotech-company-xinvento/, accessed 2024-04-28.

Strike Pharma AB

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 12.4
Share of Flerie's invested capital (%) as of 31 May 2024: 0.4 per cent
Fair value: MSEK 9.7 as of 31 December 2023 and MSEK 5.5 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.2 per cent
Flerie's ownership as of 31 May 2024: 13.6 per cent
Multiple on invested capital as of 31 May 2024: 0.4x

Strike Pharma is a Swedish company founded by KOL and serial entrepreneur Sara Mangsbo in 2021, developing a novel next generation Antibody-Drug Conjugate (ADC) technology within the immuno-oncology precision medicine space, the ADAC technology. ADACs are short for Adaptable Drug Affinity Conjugates and are built to improve the delivery of tailor-made synthetic molecules to specific cell types for improved immune modulation. The aim is to take precision medicine to a new level, enabling development of individualised immunotherapeutic treatments based on the genetic profile of each patient's tumour. Such highly targeted treatments offer the potential to increase therapeutic efficacy and reduce dosage levels thereby minimising the risk of side effects. Their lead molecule STRIKE2001-KRAS, covering multiple KRAS mutations, is currently in preparation for phase I trials.

Recent progress

- Received funding from Cancerfonden for Adaptable Drug Affinity Conjugate research.
- Successfully completed cell line development with FyoniBio for bi-specific mAb bispecific mAb and clinical lead candidate.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
HB-700 for KRAS-mutated cancers	HOOKIPA	Roche	Phase Ib	HOOKIPA entered into strategic collaboration and licence agreement with Roche to develop novel arenaviral immunotherapy for KRAS-mutated cancers[1]	25	930	October 2022
Immuno-oncology	Neogene Therapeutics	AstraZeneca	Pre-clinical	AstraZeneca entered into an agreement to acquire Neogene Therapeutics, a biotechnology company specialising in the development and manufacture of next-generation T-cell receptor therapies (TCR-Ts)[2]	200	120	November 2022

1) Hookipa, https://ir.hookipapharma.com/news-releases/news-release-details/hookipa-announces-strategic-collaboration-and-license-agreement/, accessed 2024-04-28.
2) AstraZeneca, https://www.astrazeneca.com/media-centre/press-releases/2022/astrazeneca-to-acquire-neogene-therapeutics-accelerating-ambition-in-oncology-cell-therapy.html, accessed 2024-04-28.

Synerkine Pharma B.V.

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 57.5
Share of Flerie's invested capital (%) as of 31 May 2024: 1.8 per cent
Fair value: MSEK 51.0 as of 31 December 2023 and MSEK 52.5 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 1.6 per cent
Flerie's ownership as of 31 May 2024: 42.5 per cent
Multiple on invested capital as of 31 May 2024: 0.9x

Synerkine Pharma is a Dutch biopharmaceutical company developing a novel class of biologics, called Synerkines, that connect two different anti-inflammatory cytokines and enhance their activity. Their initial focus is on chronic pain. The company's lead programme SK-01 is a fusion of interleukins IL-4 and IL-10 for complex regional pain syndrome, a severe form of chronic pain, and osteoarthritis. The SK-02 programme is a fusion of IL-4 and IL-13 and is being developed for in chemotherapy-induced peripheral neuropathy (CIPN). Synerkine Pharma has proof of concept data in relevant animal models for the first in human indication and is working on the next development steps towards a first clinical trial. The ability to treat chronic pain with drugs that mimic endogenous immune molecules and are based on a different mechanism of action than the traditional analgesic drugs hold tremendous therapeutic and commercial potential.

Recent progress

- Manufacturing process and scale-up for lead program SK-01.
- Announced manufacturing alliance with NorthX Biologics in February 2024.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Pain management for migraine	CoLucid	Lilly	Post phase III	Lilly acquired CoLucid to strengthen the existing migraine pain management portfolio, while adding a potential near-term launch to the late-stage development portfolio[1)]	960	–	January 2017
Non-Opioid Pain Asset	Centrexion Therapeutics	Lilly	Phase I	Lilly signed a licence agreement with Centrexion Therapeutics for non-opioid pain relief[2)]	48	575	February 2019
Pain drug	CerSci Therapeutics	ACADIA Pharmaceuticals	Completed phase I	ACADIA Pharmaceuticals acquired CerSci Therapeutics and added a new pain programme to its portfolio[3)]	52	835	August 2020
Chronic Pain Drug Candidate	Asahi Kasei Pharm	Lilly	Completed phase I	Lilly and Asahi Kasei Pharma entered into a licence agreement for a drug candidate for chronic pain[4)]	20	190	January 2021

1) Lily, https://investor.lilly.com/news-releases/news-release-details/lilly-and-colucid-pharmaceuticals-announce-agreement-lilly, accessed 2024-04-28.
2) Lily, https://investor.lilly.com/news-releases/news-release-details/lilly-announces-licensing-agreement-non-opioid-pain-asset, accessed 2024-04-28.
3) Biospace, https://www.biospace.com/article/acadia-snaps-up-cersci-therapeutics-and-its-non-opioid-pain-treatment-for-52-million/, accessed 2024-04-28.
4) Lily, https://investor.lilly.com/news-releases/news-release-details/lilly-and-asahi-kasei-pharma-announce-license-agreement-chronic, accessed 2024-04-28.

Toleranzia AB

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 94.4
Share of Flerie's invested capital (%) as of 31 May 2024: 3.0 per cent
Fair value: MSEK 52.0 as of 31 December 2023 and MSEK 87.8 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 2.8 per cent
Flerie's ownership as of 31 May 2024: 58.1 per cent
Multiple on invested capital as of 31 May 2024: 0.9x

Toleranzia is a publicly listed Swedish drug development company aiming to restore the immune system's normal ability to tolerate the endogenous substances that are mistakenly targeted in patients suffering from severe auto-immune diseases. The company's tolerogens have the potential to be the first long-acting or curative therapies that act specifically on the underlying cause of the autoimmune disease for which they are developed. Toleranzia's primary drug candidate, TOL2, is being developed as a treatment for the autoimmune orphan disease myasthenia gravis, which is a chronic and progressive disease that causes gradually increasing muscle weakness. The second drug candidate, TOL3, is being developed as a treatment for the autoimmune orphan disease ANCA vasculitis, which is a chronic and progressive disease that causes blood vessel inflammation and damage to blood vessel walls. The company is currently in the process of scaling up the production of TOL2 in collaboration with their manufacturing partner in preparation for their upcoming phase I/IIa clinical trial in myasthenia gravis patients.

Flerie Invest submitted a mandatory bid to the shareholders in Toleranzia during 2022. Therefore, Flerie is not required to submit another mandatory bid if the Company resolves to further increase its ownership share.

Recent progress

- Filed patent application for tolerogen combination treatments and concluded manufacturing of a technical batch of drug candidate TOL2.
- Ran GMP manufacturing of drug candidate TOL2 for clinical study and established a freeze-dried formulation.
- Received Vinnova funding.
- Successfully completed GLP toxicology study for TOL2 in January 2024.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Celiac disease	Ankion	Bristol Myers Squibb	Pre-clinical and phase I	Bristol Myers Squibb and Ankion are aiming to expand and cover coeliac disease and multiple sclerosis and therefore extended their existing collaboration agreement[1]	45	10	September 2020
Liver disease candidate	Cour Pharma-ceuticals'	Ironwood Phar-maceuticals	Phase I	Ironwood Pharmaceuticals entered into an agreement that gives them an opportunity to licence Cour Pharma-ceuticals' liver disease candidate CNP-104[2]	20	475	November 2021
Celiac disease	Cour Pharma-ceuticals	Takeda	Post phase IIa	Takeda acquired licence from Cour Pharmaceuticals for the treatment of coeliac disease[3]	Not disclosed	420[4]	October 2019
Chronic autoimmune diseases	Imcyse	Pfizer	Entering phase II	Imcyse entered into a research collaboration and license agreement for its Imotope™ technology with Pfizer in rheumatoid arthritis[5]	Not disclosed	180[6]	February 2021

1) Mynewsdesk, https://www.mynewsdesk.com/se/umeaa-biotech-incubator/pressreleases/amerikanskt-laekemedelsbolag-investerar-270-miljoner-kronor-i-umeaafoeretag-3239606, accessed 2024-04-28.
2) Fiercebiotech, https://www.fiercebiotech.com/biotech/after-flops-ironwood-starts-pipeline-rebuild-liver-disease-deal, accessed 2023-09-10.
3) Takeda, https://www.takeda.com/newsroom/newsreleases/2019/takeda-acquires-license-for-first-in-class-celiac-disease-therapy-from--cour-pharmaceuticals-following-positive-phase-2a-proof-of-concept-study/, accessed 2024-04-28.
4) Number denotes total potential deal value including upfront payment and potential milestone payments.
5) Imcyse, http://imcyse.com/news-events/news/imcyse-enters-into-research-collaboration-and-license-agreement-for-its-imotope-tm-technology-with-pfizer-in-rheumatoid-arthritis, accessed 2024-04-28.
6) Number denotes total potential deal value including upfront payment and potential milestone payments.

Vitara Biomedical Inc.

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 56.1
Share of Flerie's invested capital (%) as of 31 May 2024: 1.8 per cent
Fair value: MSEK 53.6 as of 31 December 2023 and MSEK 56.1 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 1.8 per cent
Flerie's ownership as of 31 May 2024: 5.3 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

Vitara Biomedical is a US-based MedTech company in the preclinical phase of development. Inspired by nature, Vitara Biomedical is developing a fluid-filled incubator for premature infants to reduce mortality and improve quality of life compared to the current standard of care. By reducing lifelong complications such as bronchial pulmonary dysplasia, chronic lung disease, sepsis, loss of vision, and necrotizing enterocolitis the quality of life of the baby could be dramatically improved.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Robotic keyhole surgery	CMR Surgical	Not applicable (fundraise)	n/a	The company intends to use the funds to support its mission to make keyhole surgery available to more people around the world[1]	600	–	June 2021
Brain interface platforms	Synchron	Not applicable (fundraise)	Pre-clinical	The company intends to use the funds to launch U.S. clinical trials of minimally invasive brain computer interface following the conduction of human trials in Australia[2]	40	–	June 2021
Ligament tear treatment	Miach Ortho-paedics	Not applicable (fundraise)	n/a	The company intends to use the funds to enable ongoing operations and expand the commercial launch of the BEAR implant in the US[3]	40	–	January 2023

1) CMR, https://cmrsurgical.com/news/cmr-closes-series-d-fundraise, accessed 2024-04-28.
2) Synchron, https://www.fiercebiotech.com/medtech/synchron-raises-40m-for-u-s-trials-neurotech-helpingparalysis- patients-text-email-and, accessed 2024-04-28.
3) Miach Orthopaedics, https://miachortho.com/about-us/news-and-events/2023/miach-orthopaedics-secures-40-million-financing/, accessed 2024-04-28.

Xintela AB (publ)

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 91.0
Share of Flerie's invested capital (%) as of 31 May 2024: 2.9 per cent
Fair value: MSEK 93.0 as of 31 December 2023 and MSEK 85.2 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 2.7 per cent
Flerie's ownership as of 31 May 2024: 55.7 per cent
Multiple on invested capital as of 31 May 2024: 0.9x

Xintela is a publicly listed Swedish biopharma company developing allogeneic stem cell-based treatments focusing on osteoarthritis and difficult-to-heal leg ulcers and, through its wholly owned subsidiary Targinta, targeted antibody-based treatments for aggressive cancer. Xintela's programmes are based on a cell marker technology platform, utilising the cell surface molecule integrin $\alpha 10\beta 1$. The lead programme, investigating the stem cell product XSTEM in knee osteoarthritis, started a clinical phase I/IIa study in Australia in April 2022. The second programme, in difficult-to-heal venous leg ulcers was initiated in September 2022, with a clinical phase I/IIa study in Sweden. XSTEM is manufactured in Xintela's own GMP facility. Targinta is in preclinical stage with two antibody leads candidates: the antibody-drug conjugate (ADC) TARG9 and the function/blocking antibody TARG10, targeting integrin $\alpha 10\beta 1$ in triple-negative breast cancer and the brain cancer glioblastoma. The next step is to validate the target and treatment concept in an innovative 'Clinical phase 0 study' in cancer patients.

Flerie Invest submitted a mandatory bid to the shareholders in Xintela during 2022. Therefore, Flerie is not required to submit another mandatory bid if the Company resolves to further increase its ownership share.

Recent progress

- Published positive preclinical results from XSTEM treatment of ARDS.
- Completed XSTEM dosing at third and final dose level in knee osteoarthritis clinical study.
- Obtained product patent in USA for chondrocyte-based products.

Historical transactions within same market

Market	Target	Acquirer	Phase	Scope	Initial consideration (MUSD)	Milestone payments (MUSD)	Date
Knee cartilage defects	Medipost	PE Consortium	Commercial stage	PE Consortium invested in Medipost's with their main product: Cartistem, used for the treatment of knee cartilage defects in patients with Osteoarthritis[1)]	131	–	March 2022
Osteoarthritis (OA)	Merck	Novartis	Phase II ready	Merck entered into an out-licensing agreement with Novartis for the development of M6495, an anti-ADAMTS5 Nanobody® for the potential treatment of osteoarthritis (OA)[2)]	55	430	October 2020
Osteoarthritis (OA)	Regeneus	Kyocera	Completed phase I	Regeneus entered into a licence and collaboration agreement for Japan with Kyocera for Progenza for the treatment of knee osteoarthritis (OA)[3)]	9	10	August 2020
Regenerative medicine	Acell	Integra LifeSciences	n/a	Integra LifeScieances acquired Acell in regenerative technologies to complement the company's existing tissue engineering portfolio[4)]	300	100	December 2020
Invasive therapeutic ultrasonic devices	Solsys Medical	Misonix	n/a	Misonix acquired Solsys Medical to enable Misonix to increase sales of SonicOne and, together with TheraSkin, establish a new standard of care in the growing chronic wound treatment market[5)]	Not disclosed	109[6)]	September 2019
Regenerative medicine products	Osiris	Smith & Nephew	n/a	The acquisition of Osiris is expected to accelerate growth from Smith & Nephew's Advanced Wound Management franchise[7)]	660	–	April 2019

1) The Korea economic daily, https://www.kedglobal.com/korean-startups/newsView/ked202203170007, accessed 2024-04-28.
2) The pharma letter, https://www.thepharmaletter.com/article/novartis-to-acquire-merck-business, accessed 2024-04-28.
3) Kyocera, https://global.kyocera.com/newsroom/news/2020/000192.html, accessed 2024-04-28.
4) Integra Lifesciences, https://www.integralife.com/integra-lifesciences-completes-the-acquisition-of-acell-inc/product/acell, accessed 2024-04-28.
5) NS medical news, https://www.nsmedicaldevices.com/news/misonix-regenerative-solsys-medical/, accessed 2024-04-28.
6) Number denotes total potential deal value including upfront payment and potential milestone payments.
7) Fiercebiotech, https://www.fiercebiotech.com/medtech/smith-nephew-moves-further-into-regenerative-medicine-660m-purchase-osiris, accessed 2024-04-28.

Xspray Pharma AB (publ)

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 293.0
Share of Flerie's invested capital (%) as of 31 May 2024: 9.4 per cent
Fair value: MSEK 203.0 as of 31 December 2023 and MSEK 426.2 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 13.4 per cent
Flerie's ownership as of 31 May 2024: 17.2 per cent
Multiple on invested capital as of 31 May 2024: 1.5x

Xspray Pharma is a Swedish publicly listed pharmaceutical company developing improved protein kinase inhibitors (PKIs) for the treatment of cancer using an innovative technology platform. PKIs are the second largest group of drugs in oncology, whereby drug prices are high. Xspray use their innovative, patented RightSize™ technology to develop improved stable amorphous versions of marketed drugs. This allows them to gain entry as the first competitor to today's original drugs before the secondary patents expire. The current pipeline includes improved versions of three blockbuster cancer drugs Sprycel®, Tasigna® and Inlyta® plus an undisclosed pipeline. Their lead candidate Dasynoc (XS004) has achieved bioequivalence with a 30 per cent lower dose compared to the original drug, Sprycel®, and is unaffected by the pH value of the stomach. Therefore, this improved version can thus be used together with omeprazole without affecting the absorption of dasatinib, which facilitates treatment of peptic ulcers while the patient is being treated for cancer. The number of patients with chronic myeloid leukaemia using proton pump inhibitors is substantial. Furthermore, XS004 can be administered at a lower dosage than the reference product, which is expected to yield fewer side effects.

Recent progress

- XS004 granted orphan drug designation in the US for the treatment of acute lymphoblastic leukaemia.
- Partnered with EVERSANA for the US launch and commercialisation of Dasynoc (XS004) for the treatment of acute lymphoblastic leukaemia.
- Received expected partial decision in patent case regarding XS004.
- Received a request for additional information on Dasynoc from the FDA.
- In February 2024, the company announced that the FDA had accepted a new drug application (NDA) for Dasynoc, with an expected decision date (PDUFA) of 31 July 2024.

Portfolio overview: Commercial Growth

A3P Biomedical AB (publ)

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 100.0
Share of Flerie's invested capital (%) as of 31 May 2024: 3.2 per cent
Fair value: MSEK 75.0 as of 31 December 2023 and MSEK 75.0 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 2.4 per cent
Flerie's ownership as of 31 May 2024: 8.2 per cent
Multiple on invested capital as of 31 May 2024: 0.8x

A3P Biomedical is a Swedish commercial stage diagnostics company for early detection of prostate cancer. The company has developed the Stockholm3 test – a blood test that combines protein markers, genetic markers and clinical data with a proprietary algorithm in order to predict the risk of aggressive prostate cancer at an early stage. The test is available in the Nordic, Swiss and German markets and is included in the Swedish national guidelines. Stockholm3 has been developed by scientists at Karolinska Institutet and validated in clinical studies including more than 90,000 men, with over 25 publications in leading scientific journals such as The Lancet Oncology and European Urology. Patients benefit from a more precise test (increasing sensitivity and specificity) and healthcare providers can reduce the direct costs by 17 to 28 per cent[1], decreasing unnecessary biopsies and MRIs. It is also being trialled in an organised screening programme by Region Värmland for men in the age group 50 – 75 and Region Stockholm and Region Gotland for men in the age of 50.

Recent progress

- At the end of 2023, a wider roll-out of Stockholm3 started in Switzerland and testing can now be carried out in most parts of the country.
- A wholly owned subsidiary was established in the US in preparation for the launch of Stockholm3 on the US market.
- A new, groundbreaking North American study showing that Stockholm3 is more reliable and that up to half of all unnecessary biopsies could be avoided compared to current clinical practice even in a multi-ethnic population was presented at the annual US ASCO-GU conference.[2]
- In an article in European Urology Open Sciences, the Prostate Cancer Centre at Capio St. Göran's Hospital was highlighted for its well-invested and structured model of prostate cancer diagnosis. This model, based on Stockholm3 combined with MRI and targeted biopsies, is shown to significantly improve diagnosis and health economics.[3]

1) A3P, https://www.a3p.com/en/publications/, accessed 2024-04-28.
2) A3P, https://www.a3p.com/en/landmark-stockholm3-north-american-clinical-trial-presented-at-asco-gu/, accessed 2024-06-03.
3) https://www.a3p.com/en/stockholm3-leads-to-earlier-detection-of-prostate-cancer-improved-precision-and-better-health-economics/,
4) accessed 2024-06-03.

Bohus Biotech AB

Investment year: 2022
Capital invested as of 31 May 2024: MSEK 85.1
Share of Flerie's invested capital (%) as of 31 May 2024: 2.7 per cent
Fair value: MSEK 16.7 as of 31 December 2023 and MSEK 16.7 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.5 per cent
Flerie's ownership as of 31 May 2024: 44.9 per cent
Multiple on invested capital as of 31 May 2024: 0.2x

Bohus Biotech is a Swedish biotechnology company with a long history of developing and manufacturing hyaluronic acid (HA) raw material and products in three different areas: Ophthalmology, Aesthetics and Orthopaedics. They have an active R&D department developing new products for existing and new applications. Bohus Biotech are based in Strömstad, Sweden. The company has an international network of partners with distribution in over 60 markets worldwide, with distributors that sell their products to hospitals and clinics all over the world.

Chromafora AB

Investment year: 2014[1)]
Capital invested as of 31 May 2024: MSEK 45.3
Share of Flerie's invested capital (%) as of 31 May 2024: 1.4 per cent
Fair value: MSEK 41.4 as of 31 December 2023 and MSEK 52.8 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 1.7 per cent
Flerie's ownership as of 31 May 2024: 34.4 per cent
Multiple on invested capital as of 31 May 2024: 1.2x

Chromafora is a Swedish cleantech company within a purification technology. It has patented methods to remove heavy metals and PFAS from polluted water, and to extract valuable metals for recycling. The company was originally active in the pharmaceutical industry but has since pivoted to focus on the mining sector. In several landfill leachate pilot projects, Chromafora's method has shown an effectiveness on reducing both short- and long PFAS also with high concentrations PFAS11. Given the success of these projects, the company is now scaling up the technology in commercialisation phase to meet the market needs. The interest and need to remove PFAS from waters are large and the green energy transition demand for available metals is greater than ever. Chromafora addresses industrial actors and other business operators that have an impact on water in the environment.

Recent progress

- Completed successful pilot project together with Swedish mining company LKAB at the Malmberget mine, demonstrating that they were able to capture 99 per cent of metals from the water.[2)]
- Announced results of pilot project at Ragn Sells' site at Högbytorp where PFAS was to be captured from the 50,000 cubic metres of leachate. They achieved a 45 per cent reduction in PFAS levels.

1) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.
2) Bergsmannen, https://www.bergsmannen.se/nyheter/e/5385/chromaforas-renar-upp-99-procent-av-metallerna-i-lkabs-gruvvatten/, accessed 2024-04-28.

Frontier Biosolutions

Investment year: 2023
Capital invested as of 31 May 2024: MSEK 19.2
Share of Flerie's invested capital (%) as of 31 May 2024: 0.6 per cent
Fair value: MSEK 18.4 as of 31 December 2023 and MSEK 18.9 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 0.6 per cent
Flerie's ownership as of 31 May 2024: 2.4 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

In October 2023, Flerie Invest announced the formation of the Frontier Biosolutions platform, which is operated together with the investment firm KKR. Frontier Biosolutions is focused on companies specialising in pharmaceutical services for customers in the field advanced therapy. Frontier Biosolutions invests in proprietary technology platforms that address bottlenecks in the development of advanced drugs.

Frontier Biosolutions has invested in Corolis Pharma, a global leader in formulation development and analytical services. Corolis Pharma offers early and late-stage formulation development for parenteral drug products, process development for lyophilisation, development of analytical methods and manufacturing of advanced drugs for clinical trials. The investment will enable Corolis Pharma's continued expansion in the fast-growing segment of cell and gene therapy and will expand the range of services offered to its customers worldwide.

Nanologica AB

Investment year: 2014
Capital invested as of 31 May 2024: MSEK 157.9
Share of Flerie's invested capital (%) as of 31 May 2024: 5.0 per cent
Fair value: MSEK 150.5 as of 31 December 2023 and MSEK 104.5 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 3.3 per cent
Flerie's ownership as of 31 May 2024: 39.2 per cent
Multiple on invested capital as of 31 May 2024: 0.7x

Nanologica is a publicly listed Swedish nanotechnology company developing nanoporous silica particles for preparative chromatography, a type of purification technique. The company's silica media NLAB Saga® can reduce the production cost for drug manufacturers significantly, given its optimised combination of pore volume and high available surface area, in addition to its exceptional mechanical and chemical stability. This ultimately decreases the number of purification cycles needed in the manufacturing process in addition to decreasing total silica consumption. It is ideal for the purification of peptides such as insulin, insulin analogues and GLP-1 analogues (a rapidly growing new drug class). The company has a production facility in the United Kingdom and has recently received several orders for NLAB Saga® from major customers in Asia, the US, and Latin-America.

During 2022, Flerie Invest was granted an exemption from the mandatory bid obligation in connection with a rights issue in Nanologica. Flerie is however not exempted from the mandatory bid obligation if Flerie resolves to increase its ownership share further.

Recent progress

- Nanologica's product within preparative chromatography reached quality requirements.
- Delivered silica to Latin-American customer for production of insulin.
- Chinese distributor Yunbo made first call-off against delivery agreement.

NorthX Biologics Holding AB

Investment year: 2021
Capital invested as of 31 May 2024: MSEK 189.2
Share of Flerie's invested capital (%) as of 31 May 2024: 6.0 per cent
Fair value: MSEK 189.2 as of 31 December 2023 MSEK 189.2 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 5.9 per cent
Flerie's ownership as of 31 May 2024: 92.3 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

NorthX Biologics is a Swedish contract manufacturing company and "end-to-end" supplier specialising in the GMP-manufacture of biologics, expanding rapidly in the booming cell and gene therapy field, with a focus on process development and large-scale production of advanced biological drugs. NorthX Biologics targets small and medium-sized companies. Flerie positions NorthX Biologics to provide development and scale-up services as well as commercial delivery of gene therapy and small-scale delivery of materials for clinical use in phase I or II.

The Swedish Government has given Vinnova (Sweden's innovation agency) the mandate to support the establishment of NorthX Biologics as a national innovation hub. NorthX Biologics has the largest capacity for production of plasmid DNA in the Nordics, which is an essential starting material for gene therapy products. In 2023, NorthX Biologics acquired a Clinical Trials Manufacturing Unit in Stockholm, expanding to viral vector manufacture and other mammalian cell culture. NorthX Biologics also invested in modern fill finish capabilities and now has a very comprehensive offering for gene therapy, protein and other advanced biologics customers. Flerie believes that key drivers for the market for contract manufacturing and development organisations and contract research organisations include increasing demand for biologics, growing outsourcing of drug development and manufacturing activities, and rising investments in research and development (R&D) by pharmaceutical and biotechnology companies, among others. Several notable large acquisitions within the CDMO segment have occurred in recent years. The CDMO market is expected to grow at a CAGR of 13.97 per cent from 2022 to 2027.[1)]

Selected customers and partners to NorthX Biologics includes Abera Bioscience, Geneos Therapeutics, Toleranzia, Lipum, Mendus, International Vaccine Insitute, Cytiva, and Synerkine Pharma.

Flerie Invest's rationale for the investment

- Investment based on Flerie's in-depth market and asset knowledge.
- Strategic fit as NorthX Biologics is positioned in a market with increasing demand, presenting significant growth opportunities.
- Opportunity to acquire at an appealing valuation.
- Synergistic fit with Flerie's portfolio as NorthX Biologics provides services anticipated to be in demand within Flerie's portfolio companies (provided at an arm's length basis).
- Clear route to profitability, expanding Sales & Marketing efforts, diversifying into new modalities and ATMPs, and working with cost base to optimise operations and foster growth.
- The investment provides access to valuable governmental support for development initiatives, enhancing growth outlook.

1) PR Newswire, https://www.prnewswire.com/news-releases/biologics-cdmo-market-to-grow-by-usd-13-26-billion-from-2022-to-2027--research-and-development-pipeline-of-biologics-therapeutics-to-boost-the-market---technavio-301870322.html, accessed 2024-04-28.

NorthX Biologics critical milestones on the path to profitability

2021	Flerie Invest acquires NorthX Biologics from Charles River Laboratories. Recognised as National ATMP Innovation Hub.
2022	Sales and marketing team recruited in US and Europe. NorthX Biologics established as brand. Started to invest in new capabilities including mRNA and clinical stage fill/finish.
2023	Concluded several collaborations. Established sales pipeline. Acquired additional and complementary assets in mammalian capabilities located in Stockholm from Valneva. Implemented executed investments. Operational restructuring was carried out to support new capabilities and more appropriate cost base. New experienced CEO installed to deliver the company's strategy.
2024/2025	Additional sales resources in the EU will be evaluated in early 2024. NorthX Biologics is expected to achieve profitability.

According to the latest published annual report, regarding the financial year 2022, NorthX Biologics´ results were positively affected by the covid pandemic together with a single large agreement. This deal is likely to become less significant in the future and sales are likely lower in 2023. Currently, protein sales account for the majority of sales (around 70 per cent), with around 20 per cent in vaccines and 10 per cent in cell gene therapy and other areas. Flerie expects protein sales as a proportion of total sales to decrease as other more profitable ATMP projects such as cell gene therapy and mRNA gain more focus. The five and ten largest customers account for 85 and 96 per cent of revenues respectively. Currently, approximately 60 per cent of the revenues are attributable to the ordinary operations and approximately 40 per cent are attributable to the development activities. NorthX Biologics estimates that this distribution will be 50/50 in the future.

NorthX Biologics continuously assesses whether there is reason to acquire new technologies and, in the future, according to the company, there may be reason to have more assets in the US, for example.

Financial information about NorthX Biologics[1)]

MSEK	2021	2022
Net sales	139	159
Operating profit /loss[2)]	–31	–11

Recent progress

- On 12 October 2021, the shareholders in NorthX Biologics resolved upon an issue of convertibles amounting to MSEK 150. The convertibles were subscribed by Flerie Invest and have subsequently been transferred from Flerie Invest. The convertibles can be converted into shares by either the convertible holder or NorthX Biologics during the period 1 January 2022 up and until 31 December 2024. The conversion rate is SEK 6,000 per share entailing an increase of the share capital in the amount of SEK 25,000. Upon conversion, 25,000 new shares can be issued in NorthX Biologics, resulting in a dilution of approximately 46 per cent.
- Entered as a partner in AdBIOPRO, a competence centre for advanced bioproduction.
- Participated in OPENCORONA project, bringing covid-19 vaccine into phase I.
- Acquisition of Stockholm-based Clinical Trial Manufacturing unit from Valneva Sweden and expansion to viral vector manufacture and mammalian cell culture.
- Janet Hoogstraate was appointed as the new CEO.

1) The information pertains NorthX Biologics' operating subsidiary, NorthX Biologics AB.
2) Operating profit is an alternative performance measure in NorthX Biologics AB's annual reports for the financial years 2021 and 2022. For more information, see the section "*Selected historical financial information – Key figures*".

Historical transactions within same market

Market	Target	Acquirer	Background	Total deal value (MUSD)	Net sales last financial year	Date
CDMO	Aldevron	Danaher	Danaher acquired Aldevron, a company that manufactures plasmid DNA, mRNA and proteins for biotechnology and pharmaceutical customers[1)]	9,600[2)]	300	June 2021
CDMO	Cognate	Charles River Laboratories	Charles River Laboratories acquired Cognate BioServices, a company active in the contract development and manufacturing of cell and gene-mediated cell therapy[3)]	875	140[4)]	February 2021

1) Danaher, https://investors.danaher.com/2021-06-17-Danaher-To-Acquire-Aldevron, accessed 2024-04-28.
2) Financed using cash on hand and proceeds from issuance of commercial paper.
3) Charles river laboratories, https://www.criver.com/insights/charles-river-completes-acquisition-cognate-bioservices, accessed 2024-04-28.
4) Estimates from Charles River Laboratories (the acquirer).

Provell Pharmaceuticals LLC[1)]

Investment year: 2013
Capital invested as of 31 May 2024: MSEK 64.9
Share of Flerie's invested capital (%) as of 31 May 2024: 2.1 per cent
Fair value: MSEK 53.0 as of 31 December 2023 and MSEK 64.9 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 2.0 per cent
Flerie's ownership as of 31 May 2024: 72 per cent
Multiple on invested capital as of 31 May 2024: 1.0x

Provell Pharmaceuticals specialises in the marketing of leading pharmaceutical products in the US. It seeks to provide innovative products with enhanced delivery systems for better quality, stability and/or patient adherence at a lower cost. The company have an exclusive marketing and distribution agreement with merck KGaA for Euthyrox® (levothyroxine sodium tablets, USP) in the US market. The company is currently focusing on a new digital marketing campaign to sell Euthyrox as a branded product, expanding its distribution network as well as evaluating possibilities of commercialising additional specialty products in the US market.

Recent progress

- Launched new website for branded levothyroxine.
- Signed new agreements with GoodRx and Mark Cuban to expand reach of Euthyrox.

1) Provell Pharmaceuticals is one of Flerie's portfolio companies, but the shares are held through its wholly owned subsidiary B&E Participation Inc.

Symcel AB

Investment year: 2013
Capital invested as of 31 May 2024: MSEK 74.7
Share of Flerie's invested capital (%) as of 31 May 2024: 2.4 per cent
Fair value: MSEK 172.0 as of 31 December 2023 and MSEK 168.8 as of 31 May 2024
Share of Flerie's total fair value (%) as of 31 May 2024: 5.3 per cent
Flerie's ownership as of 31 May 2024: 31.4 per cent
Multiple on invested capital as of 31 May 2024: 2.3x

Symcel is a Swedish biocalorimetry specialist company offering tools for rapid and direct metabolic measurements on any biological sample. Symcel is developing and marketing the calScreener™, calView™ and calData™ suite of analytical tools. The company is in the commercial phase for R&D markets with increasing traction and KOL support. There are multiple applications, including rapid microbial detection, antimicrobial development and susceptibility testing. Additionally, Symcel is developing a vitro diagnostic (IVD) instrument for implant and tissue related infections. This is ultimately intended to be used for most types of tissue and fluid samples for infection testing, with today's development focused on infections of bone, joint and orthopaedic surgical procedures. Their goal is to embed pathogen detection, species identification and AST (antibiotic susceptibility testing) in one instrument that can perform all three functions simultaneously. Solving all diagnostic steps needed for directed therapy in a one-day shift, days faster than today's standard. The company has established a US office in Boston to enable further growth and support for American customers.

Recent progress

- Received Vinnova funding.
- Awarded grant to develop fast diagnostics for joint infections.
- Strong growth within the sterility testing business for cell therapies.

Portfolio overview: Limited Partnerships

3B Future Health Fund II

Investment year: 2022

3B Future Health Fund is a fund based in Luxembourg, founded by Riccardo Braglia, the Executive Chairman of Helsinn. The fund´s focus is on early and mid-stage investments in areas of high unmet patient need, primarily oncology and rare diseases. The fund focuses on US and European based start-ups. Each investment amounts up to MUSD 12, and the normal holding period is five to eight years.

Alder Fund III

Investment year: 2023

Alder is a Nordic investment fund with the aim of creating good opportunities for sustainable technology companies to accelerate growth and strategic development. Their investments focus on established companies with profitable growth and a turnover of between MSEK 100–750. Alder invests primarily as a majority shareholder in companies established in the Nordic region, but may also invest selectively in the rest of Europe, in particular in German-speaking countries.

HealthCap Fund IX

Investment year: 2023

HealthCap is a European venture capital firm investing exclusively and globally in life sciences. The investment strategy focuses on diseases with high unmet medical needs and breakthrough therapies that have the potential to be transformative and change medical practice, and the lives of patients suffering these conditions.

ORGANISATION AND EMPLOYEES

The Company has its registered office in Stockholm, Sweden. As of 31 March 2024, Flerie Invest had five full-time employees, one part-time employee and three senior advisors providing consulting services. Ted Fjällman (CEO), Cecilia Schéele (CFO and Deputy CEO) and Mark Quick (Partner) constitute the senior management of the Company.

The Company´s operating expenses consist mainly of salaries and social security contributions, consultancy fees, personnel-related costs, office rent and similar. The Company estimates that the operating expenses in 2024 will be slightly higher than usual due to the work with the Transaction and the Admission.

Effects of the Transaction

The Transaction, as further described in the section "*Background and reasons*", was carried out by way of a directed share issue in kind of 6,073,952,948 ordinary shares in the Company, resolved upon by the extraordinary general meeting of the Company on 10 June 2024, whereby the consideration for the newly issued shares consisted of all outstanding shares in Flerie Invest. Following the Transaction, Flerie Invest is a wholly-owned subsidiary of the Company and the former major shareholders of Flerie Invest became major shareholders in the Company, with an initial holding (prior to the completion of the Capital Raise) of approximately 91.9 per cent of the shares. The Transaction is reported as a reverse asset acquisition according to IFRS, meaning that, from an accounting point of view, Flerie Invest is considered the acquiror of InDex. As a consequence, the accounts of InDex are included in the accounts of Flerie Invest from the transaction date 10 June 2024, and the historical financial reports of Flerie Invest constitute the Group's accounts. Since InDex, as of the date of the Transaction, was not considered to operate a business for accounting purposes, the Transaction is accounted for under IFRS 2 *Share-based Payment*. From an accounting point of view, the purchase price was calculated as Flerie Invest paid for InDex's net assets with own shares. The difference between the purchase price and the acquired net assets in InDex is reported as a listing cost in the income statement.

Following the Transaction and the discontinuation of the business previously conducted by InDex, the entire business of the Group consists of the business conducted by Flerie Invest prior to the Transaction. In light of the above, Flerie Invest's consolidated annual reports for the financial years 2021, 2022 and 2023, as well as Flerie Invest's unaudited interim report for the three-month period ended 31 March 2024 with comparative figures for the three-month period ended 31 March 2023, provide a better indication of the Group's future results and financial position than a pro forma financial statement, including the InDex group's financial figures, would. Therefore, no pro forma financial statements have been prepared.

During the financial year 2023, InDex's operating expenses, which amounted to KSEK 204,872, consisted primarily of costs attributable to the Group's phase III study and general operating expenses, which were also primarily attributable to the now discontinued phase III study. The phase III study was discontinued in November 2023 and, following further investigation and thorough analyses, shut down in February 2024. The Group's total revenues in the financial year 2023 amounted to KSEK 97,505 and was primarily attributable to revenues (so-called upfront payment) from the out-licensing of the commercial rights to cobitolimod in Japan. The operating loss for the financial year 2023 thus amounted to KSEK -107,367. The Group's assets mainly consisted of right-of-use assets (for office spaces) and cash and cash equivalents, which amounted to KSEK 2,500 and KSEK 294,267, respectively, as of 31 December 2023. The Group's liabilities mainly consisted of accrued costs for clinical trials, which amounted to KSEK 46,252 as of 31 December 2023. The Group's equity amounted to KSEK 238,885 as of 31 December 2023. As demonstrated above, the items included in the Group's financial statements prior to the Transaction, e.g., its operating expenses and revenues, most of its assets and liabilities are primarily attributable to the development of cobitolimod and other compounds, all of which have now been discontinued. Consequently, these items are not included in the Group's financial statements going forward, except as set out below.

As the business conducted by InDex has been discontinued, the costs, revenues, assets and liabilities described above will not remain in the Group after completion of the Transaction, with the exception of the acquired net assets which amounted to KSEK 227,382 as of the date of completion of the Transaction. Following the Transaction, personnel costs attributable to InDex are expected to amount to KSEK 2,700 and certain other operating costs to amount to KSEK 200. Following the Transaction, the financial statements of the Group will follow the historical reporting of Flerie Invest. This means that the financial statements mainly reflect the costs, revenues, assets and liabilities associated with Flerie Invest (prior to the Transaction).

Selected historical financial information

As a result of the Transaction being classified as a reverse asset acquisition according to IFRS, InDex's accounts are included in Flerie Invest's accounts since the transaction date 10 June 2024. The selected historical financial information for the Group presented in this section can thus be found in Flerie Invest's annual reports for the financial years 2021, 2022 and 2023, and the unaudited interim report for the period 1 January – 31 March 2024, which are incorporated in the Prospectus by reference. The historical financial information set out in InDex's annual reports for the financial years 2021, 2022, and 2023, and the unaudited interim report for the period 1 January - 31 March 2024, which is incorporated in the Prospectus by reference, are not included in this section.

*The selected historical financial information in this section should be read in conjunction with the sections "Operational and financial overview", "Capital structure, indebtedness and other financial information" and "Effects of the Transaction". The selected historical financial information is derived from and shall be read in conjunction with Flerie Invest's audited consolidated annual reports as per and for the financial years ended 31 December 2021, 2022, and 2023 as well as Flerie Invest's unaudited interim repor for the three-month period ended 31 March 2024 with comparative figures for the three-month period ended 31 March 2023. Flerie Invest's audited annual reports as per and for the financial years ended 31 December 2021, 2022, and 2023 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as adopted by the EU and audited by the Flerie Invest's independent auditors. The financial reports for the financial years 2022 and 2023 have been audited by the Flerie Invest's independent auditor Ernst & Young AB ("**EY**") and the financial report for the financial year 2021 has been audited by Flerie Invest's then independent auditor RSM Stockholm AB ("**RSM**"). The auditors' reports did not differ from standard wording and contain no remarks or the equivalent. The above-mentioned annual reports and auditors' reports have been incorporated into the Prospectus by reference.*

Flerie Invest's unaudited interim report for the three-month period ended 31 March 2024 with comparative figures for the three-month period ended 31 March 2023 has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and has been incorporated into the Prospectus by reference.

Financial key figures that are not defined in accordance with IFRS (alternative performance measures) are stated under the heading "Key figures". Alternative performance measures are based on information obtained from the above audited respectively unaudited financial reports and Flerie Invest's internal auditing. Alternative performance measures have not been audited by Flerie Invest's independent auditors. Please refer to the section "Selected historical financial information – Definitions of alternative performance measures" for definitions and motives for the use of alternative performance measures that are not defined.

The figures in the following sections have been rounded off in some cases and for that reason the sum does not necessarily correspond in all tables. Other than expressly stated, no information in the Prospectus has been reviewed or audited by Flerie's independent auditors. The reader should note that historical results do not necessarily give an indication of future results.

THE GROUP'S CONSOLIDATED INCOME STATEMENT[1)]

	1 January – 31 December (audited IFRS)			1 January – 31 March 2024 (unaudited IAS 34)	1 January – 31 March 2023 (unaudited IAS 34)
MSEK	**2023**	**2022**	**2021**		
Change in fair value of shares in portfolio companies	–532.8	94.8	–1,586.0	–152.8	60.0
Gains from divested shares in portfolio companies	–	–	–	1.0	–
Other operating income	4.6	8.3	3.9	3.0	0.4
Profit/loss from management activities	**–528.2**	**103.1**	**–1,582.2**	**–148.8**	**60.4**
Other external costs	–27.1	–16.2	–3.9	–3.2	–9.4
Personnel costs	–11.7	–7.3	–1.1	–2.9	–3.0
Depreciation	–0.6	–0.6	–0.6	–0.2	–0.2
Other operating costs	–3.6	–	–	–0.1	–0.8
Operating profit/loss	**–571.1**	**79.0**	**–1,587.8**	**–155.2**	**47.0**
Financial income	31.9	40.1	56.2	10.4	4.7
Financial expenses	–22.3	–30.1	–63.0	–7.0	–7.5
Profit/loss from financial items	**9.7**	**10.0**	**–6.8**	**3.3**	**–2.8**
Profit/loss before tax	**–561.5**	**89.0**	**–1,594.6**	**–151.9**	**44.2**
Income tax	1.9	–1.4	–4.9	2.3	–8.7
Net profit/loss for the period	**–559.6**	**87.6**	**–1,599.5**	**–149.5**	**35.5**

STATEMENT OF COMPREHENSIVE INCOME FOR THE GROUP

	1 January – 31 December (audited IFRS)			1 January – 31 March 2024 (unaudited IAS 34)	1 January – 31 March 2023 (unaudited IAS 34)
MSEK	**2023**	**2022**	**2021**		
Net profit/loss for the period	–559.6	87.6	–1,599.5	–149.5	35.5
Other comprehensive income for the period	–	–	–	–	–
Total comprehensive income for the period	**–559.6**	**87.6**	**–1,599.5**	**–149.5**	**35.5**
Total profit/loss for the period attributable to:					
Parent company's shareholders	–559.6	87.6	–1,599.5	–149.5	35.5
Total comprehensive income attributable to:					
Parent company's shareholders	–559.6	87.6	–1,599.5	–149.5	35.5
Basic and diluted earnings per share (SEK)[1)]	–6.12	3.5	–64.0	–1.33	1.37
Average number of shares outstanding[2)]	91,464,023	25,000,000	25,000,000	112,578,947	25,973,099
Number of shares outstanding at year end	112,578,947	25,000,000	25,000,000	112,578,947	112,578,947

1) Recalculated for share split 500:1 in Flerie Invest carried out in March 2023.
2) Recalculated for share split 500:1 in Flerie Invest carried out in March 2023.

1) Flerie Invest used a different terminology in the annual report for 2021 compared to the later prepared financial reports. The relevant figures in this section can be found under the "investment company's" income statement, statement of comprehensive income, balance sheet and cash flow in the 2021 annual report.

THE GROUP'S CONSOLIDATED BALANCE SHEET

	31 December (audited IFRS)			31 March 2024 (unaudited	31 March 2023 (unaudited
MSEK	**2023**	**2022**	**2021**	**IAS 34)**	**IAS 34)**
ASSETS					
Non-current assets					
Tangible assets					
Equipment	0.4	0.6	0.8	0.3	0.5
Right-of-use assets	1.2	1.6	2.0	1.1	1.5
Total tangible assets	**1.6**	**2.2**	**2.8**	**1.5**	**2.1**
Financial assets					
Shares and participations in portfolio companies	2,802.9	2,722.2	1,474.7	2,769.8	2,939.4
Loan receivables in portfolio companies	330.5	332.5	238.8	367.2	355.0
Deferred tax asset	0.8	4.5	–	1.7	2.6
Other financial assets	0.1	0.1	0.1	0.1	0.1
Total financial assets	**3,134.3**	**3,059.3**	**1,713.7**	**3,138.8**	**3,297.1**
Total non-current assets	**3,135.9**	**3,061.5**	**1,716.5**	**3,140.3**	**3,299.2**
Current assets					
Accounts receivable	0.1	0.1	0.1	1.3	0.1
Other receivables	2.0	1.6	1.8	0.4	2.5
Convertible loans	95.9	60.0	–	25.5	75.0
Tax receivables	2.4	0.0	–	4.1	–
Loan receivables in portfolio companies	15.9	22.5	–	48.9	40.1
Prepaid expenses and accrued income	1.1	0.6	4.8	4.4	1.1
Cash and cash equivalents	330.0	394.2	300.0	300.5	479.2
Total Current assets	**447.4**	**478.9**	**306.7**	**385.3**	**598.2**
Total assets	**3,583.3**	**3,540.4**	**2,023.2**	**3,525.6**	**3,897.3**
EQUITY					
Share capital	0.6	0.1	0.1	0.6	0.2
Other contributed capital	4,791.0	1,279.6	1,279.6	4,791.0	4,179.4
Retained earnings including net profit/loss for the period	–1,225.8	–666.3	–753.8	–1,375.4	–630.7
Total equity	**3,565.7**	**613.4**	**525.8**	**3,416.2**	**3,549.0**
LIABILITIES					
Non-current liabilities					
Lease liabilities	0.9	1.3	1.7	0.8	1.2
Deferred tax liabilities	5.5	7.9	10.2	3.2	16.6
Other liabilities	–	2.4	–	1.5	2.4
Total non-current liabilities	**6.4**	**11.5**	**11.9**	**5.4**	**20.2**
Current liabilities					
Accounts payable	0.8	6.5	1.0	0.3	7.5
Current tax liabilities	–	6.1	0.0	–	2.5
Lease liabilities	0.4	0.4	0.4	0.4	0.4
Liability to group companies	7.4	1,464.9	74.8	98.3	264.9
Other liabilities	0.1	1,400.1	1,400.1	0.1	42.3
Accrued expenses and deferred income	2.4	37.5	9.1	4.8	10.5
Total current liabilities	**11.2**	**2,915.5**	**1,485.4**	**103.9**	**2,328.1**
TOTAL EQUITY AND LIABILITIES	**3,583.3**	**3,540.4**	**2,023.2**	**3,525.6**	**3,897.3**

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE GROUP

	1 January – 31 December (audited IFRS)			1 January – 31 March 2024 (unaudited IAS 34)	1 January – 31 March 2023 (unaudited IAS 34)
MSEK	**2023**	**2022**	**2021**		
Cash flow from operating activities[1]					
Profit/loss before tax	–561.5	89.0	–1,594.6	–151.9	44.2
Adjustment for non-cash items					
Gain/losses from change in fair value	532.8	–94.8	–1,594.6	152.8	–60.0
Other non-cash items	–6.9	–5.2	–0.4	0.1	6.3
Tax paid	–2.1	–0.8	–1.7	–1.7	–3.6
Interest received	–	–	4.4	–	–
Interest paid	–	–	0.3	–	–
Cash flow from operating activities before changes in working capital	**–37.6**	**–11.8**	**0.3**	**–0.8**	**–13.1**
Changes in working capital					
Change in accounts receivable	0.0	0.0	–0.1	–1.2	0.0
Change in operating receivables	4.4	2.4	72.3	–1.7	–1.4
Change in operating liabilities	–40.6	7.1	3.7	1.8	–32.8
Total changes in working capital	**–36.2**	**9.4**	**–597.7**	**–1.1**	**34.8**
Operational investments					
Acquisitions and investments in portfolio companies	–	–	–477.5	–	–
Loans granted to portfolio companies	–	–	–196.0	–	–
Repayment of loans from portfolio companies	–	–	–	–	–
Deposit paid for rental contract	–	–	–0.1	–	–
Cash flow from operating activities	**–73.8**	**–2.4**	**–597.4**	**–1.8**	**–47.3**
Investing activities[2]					
Investments in shares in portfolio companies	–622.1	–1,191.3	–	–140.8	–92.1
Divestment of participations in portfolio companies	2.2	74.4	–	22.6	–
Investment in convertibles in portfolio companies	–83.6	–60.0	–	–22.2	–37.8
Repayment of convertible loans provided to portfolio companies	47.7	–	–	87.0	–
Loans provided to portfolio companies	–158.6	–117.2	–	–80.3	–37.4
Repayment of loan from portfolio companies	189.2	–	–	16.2	–
Lease deposits paid	0.0	0.0	–	–	–
Capital gain previously divested portfolio company	–	–	–	–	–
Dividends received	–	–	1.4	–	–
Investment in equipment	–	–	–1.0	–	–
Cash flow from investing activities	**–625.2**	**–1,294.1**	**0.4**	**–117.5**	**–167.3**
Financing activities[3]					
Shareholders' contribution	–	–	532.0	–	–
Loans received from holding company	635.1	1,391.0	–	90.0	300.0
Repayment of loan to holding company	–	–	–	–	–
Repayment of lease liability	–0.4	–0.4	–0.4	–0.1	–0.1
Cash flow from financing activities	**634.7**	**1,390.6**	**531.6**	**89.9**	**299.9**
Cash flow for the period	**–64.2**	**94.2**	**–65.4**	**–29.4**	**85.2**
Cash and cash equivalents at the beginning of the period	**394.2**	**300.0**	**362.7**	**330.0**	**394.2**
Exchange rate differences in cash and cash equivalents	–	–	2.8	–	–
Cash and cash equivalents at the end of the period	**330.0**	**394.2**	**300.0**	**300.6**	**479.4**
Interest received	6.6	3.6	3.7	–	1.3
Interest paid	–41.6	–	–	–	–33.4

1) Flerie Invest used a different presentation for "Cash flows from operating activities" in the annual report for 2022 and 2023 compared to the 2021 annual report. The items "Interest received", "Interest paid" and the items under "Operational investments" were included in the annual report for 2021 but not for 2022 or 2023.
2) Flerie Invest used a different presentation of "Investing activities" in the annual report for 2022 and 2023 compared to the annual report for 2021. The items "Capital gain from previously divested portfolio company", "Dividend received" and "Acquisition of equipment" were included in the annual report for 2021 but not for 2022 or 2023. Furthermore, several items were included in the annual reports for 2022 and 2023 that were not recognised under investing activities in the 2021 annual report (marked with "–").
3) Flerie Invest used a different presentation of "Financing activities" in the annual report for 2022 and 2023 compared to the annual report for 2021. The items "Shareholder contribution", "Amortisation of debt from owner companies" and "Exchange rate effects" were included in the annual report for 2021 but not for 2022 or 2023.

KEY FIGURES

Some of the selected key figures presented below are alternative performance measures that are not defined in accordance with IFRS, they are therefore not necessarily comparable to similar measurements presented by other companies. The financial key figures that are not defined in accordance with IFRS are used, together with key figures defined in accordance with IFRS, in order to provide support to the senior management's and other stakeholders' analysis of Flerie. Please refer to the section "*Selected historical financial information – Definitions of alternative performance measures*" for definitions and purpose for the use of alternative performance measures and the section "*Selected historical financial information – Reconciliation tables for alternative performance measures*" below for reconciliations of above mentioned key figures. The table presented below shows Flerie Invest's key figures for the financial years ended 31 December 2021, 2022, and 2023 as well as for the three-month period 1 January – 31 March 2024 with comparative figures for the three-month period 1 January – 31 March 2023.

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
Net asset value (NAV)*	3,565.8	613.4	525.8	3,416.2	3,549.0
Net asset value per share (SEK)*	31.67	24.54	21.0	30.35	31.52
Change in net asset value per share, %*	–14.7	16.7	–82.4	–4.2	6.8
Return on net asset value per share, %*	–14.7	16.7	–82.4	–21.0	2.3
Fair value of shares in portfolio companies*[1)]	2,802.9	2,722.2	1,474.7	2,769.8	2,939.4
Change in fair value of shares in portfolio companies*	–532.8	94.8	–1,586.0	–152.8	60.0
Change in fair value of shares in portfolio companies, %*	–19.6	6.4	–63.5	–5.5	2.2
Change in fair value of shares in portfolio companies, per share (SEK)*	–5.83	3.79	–63.4	–1.36	2.31
Expense ratio, %*	1.35	0.89	0.38	1.07	1.20
Portfolio investments*	622.1	1,227.1	549.8	140.8	157.2
Invested capital*	3,002.5	2,352.4	1,171.7	3,007.6	2,525.4
Net invested capital*[2)]	1,796.0	1,146.6	–52.8	1,920.8	1,319.6
Internal rate of return (IRR), %*	13.8	20.5	21.1	–	–
Capital gains*	0.7	–	–	12.7	–

1) The fair value of the portfolio when calculating the key figures excludes Flerie Invest's indirectly owned portfolio company Provell Pharmaceuticals, in accordance with Flerie Invest's financial reports.
2) Net invested capital is stated excluding investments in convertibles in portfolio companies.

* Alternative performance measures, not defined in accordance with IFRS.

The table below shows NorthX Biologics AB's key figures, included in the Prospectus, for the financial years ended 31 December 2021 and 2022.

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
Operating profit/loss*[1)]	N/A	–11	–31	N/A	N/A

1) As of the date of the Prospectus, NorthX Biologics AB has not published its annual report for the financial year 2023. The company does not prepare interim reports.

* Alternative performance measures, not defined according to BFNAR 2012:1 Annual report and consolidated accounts (K3).

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

The definitions presented below contain definitions of key figures which are not defined in accordance with IFRS (alternative performance measures). Alternative performance measures are measuring historical or future financial results, financial position or cash flow, but exclude or include amounts that would not be adjusted for in the most comparable IFRS financial measure. The management uses alternative performance measures to monitor the underlying development of Flerie's operations and believes that the alternative performance measures, together with key figures defined in accordance with IFRS, help investors to understand Flerie's development from one period to another and can facilitate a comparison with similar companies but are not necessarily comparable with measurements used by other companies. Flerie believes that the alternative performance measures provide investors with useful and complementary information. The alternative performance measures are not audited. Please refer to the section "*Selected historical financial information – Reconciliation tables for alternative performance measures*" for reconciliations of alternative performance measures. Investors are encouraged not to rely too heavily on the alternative performance measures and to review the alternative performance measures together with Flerie Invest's audited financial reports for the financial years ended 31 December 2021, 2022, and 2023 as well as Flerie Invest's unaudited interim report for the three-month period 1 January – 31 March 2024 with comparative figures for the three-month period 1 January – 31 March 2023.

Key figures	Definition	Purpose
Net asset value (NAV)	Net asset value is defined as total equity.	An established measure for investment companies showing the company's total net assets.
Net asset value (NAV) per share (SEK)	NAV, or net asset value, per share is defined as total equity divided by the total number of ordinary shares at the end of the period.	An established measure for investment companies showing the owners' share of the company's total net assets per share.
Change in net asset value per share, %	Net asset value per share divided by net asset value per share at the beginning of the quarter/period.	A measure of shareholders' return on the company's net assets.
Return on net asset value per share, %	Change in net asset value per share divided by net asset value per share at the beginning of the 12 months period.	A measure of shareholders' return on the company's net assets.
Fair value of shares in portfolio companies	The total fair value of the company's investments in shares in portfolio companies.	A measure of the value of all holdings in shares, which can be used to follow value development over time, and to compare individual holdings or segment sizes.
Change in fair value of shares in portfolio companies	Realised and unrealised result of the changes in fair value of shares in portfolio companies.	A measure of the financial development in the company's investments over a certain period.
Change in fair value of shares in portfolio companies, %	Realised and unrealised result of the change in fair value of shares in portfolio companies during the period divided by the portfolio value at the beginning of the period.	A measure of the financial development in the company's investments over a certain period.
Change in fair value of shares in portfolio companies, per share (SEK)	Realised and unrealised result of the change in fair value of shares in portfolio companies, divided by the average number of shares at the end of the period.	A measure of the financial development in the company's investments over a certain period.
Expense ratio, %	Operating expenses, for the latest 12 months, in relation to fair value of portfolio.	Gives an investor information on costs for operations/administration of the portfolio.
Portfolio investments	New and follow-on investments in shares in portfolio companies during the quarter, period or full year.	A measure of total investments made in the relevant period.
Invested capital	All investments made in shares and participations in the relevant portfolio companies at the balance sheet date, investments in shares and participations made through the issuance of loans to holding companies of portfolio companies (indirect ownership), and capital invested in shares and participations in written-down portfolio companies.	Provides the investor with information on all cumulative investments in shares and participations made in the relevant portfolio companies as at the balance sheet date.
Net invested capital	All investments made in shares and participations in the relevant portfolio companies at the balance sheet date, investments in shares and participations made through the granting of loans to the holding companies of portfolio companies (indirect ownership), and capital invested in shares and participations of written-down portfolio companies less all proceeds received from divestments.	Provides the investor with information on all accumulated investments in shares and participations made in all portfolio companies, retained and divested less proceeds received.
Internal rate of return (IRR), %	The annual rate of growth that an investment has generated according to the standard internal rate of return (IRR) calculation based on the net invested capital in relation to the development of the fair value of shares in portfolio companies.	A measure of the profitability of the investment.
Capital gains	Proceeds from the sale of shares and participations in portfolio companies less cost of acquisition.	A measure of profitability from the specific investment.

NorthX Biologics AB

Key figures	Definition	Purpose
Operating profit/loss	Operating income less operating expenses.	A measure of the performance of the whole business, excluding financial items and tax expense.

RECONCILIATION TABLES OF ALTERNATIVE PERFORMANCE MEASURES

The tables presented below reflect a reconciliation of alternative performance measures based on financial items, subtotals or total amounts included in Flerie Invest's audited financial reports for the financial years ended 31 December 2021, 2022, and 2023 as well as Flerie Invest's unaudited interim report for the three-month period 1 January – 31 March 2024 with comparative figures for the three-month period 1 January – 31 March 2023. The alternative performance measures are not audited.

For definitions of the alternative performance measures which have not been calculated in accordance with IFRS, please refer to the section "*Selected historical financial information – Definitions of alternative performance measures*".

Net asset value (NAV)

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
Total equity	3,565.8	613.4	525.8	3,416.2	3,549.0

Net asset value (NAV) per share (SEK)

	31 December				
	2023	**2022**	**2021**	**31 March 2024**	**31 March 2023**
a) Total equity (MSEK)	3,565.8	613.4	525.8	3,416.2	3,549.0
b) Number of shares at the end of the period[1)]	112,578,947	25,000,000	25,000,000	112,578,947	112,578,947
a*1,000,000/b = Net asset value per share (SEK)	**31.67**	**24.54**	**21.03**	**30.35**	**31.52**

1) Recalculated for share split 500:1 in Flerie Invest carried out in March 2023.

Change in net asset value per share, %

	1 January – 31 December				
	2023	**2022**	**2021**	**1 January – 31 March 2024**	**1 January – 31 March 2023**
a) Net asset value per share at the end of the period (SEK)	31.67	24.54	21.03	30.35	31.52
Recalculation for shareholders contribution, per share (SEK)	–10.76	–	–	–	–5.33
Net asset value per share at the end of the period, recalculated for shareholders contribution (SEK)	20.92	–	–	–	26.19
b) Net asset value per share at the beginning of the period (SEK)	24.54	21.03	119.5	31.67	24.54
(a-b)/b = Change in net asset value, per share, %	**–14.7**	**16.7**	**–82.4**	**–4.2**	**6.8**

Return on net asset value per share, %

	1 January – 31 December				
	2023	**2022**	**2021**	**1 April 2023 – 31 March 2024**	**1 April 2022 – 31 March 2023**
a) Net asset value per share at the end of the period (SEK)	31.67	24.54	21.03	30.35	31.53
Recalculation for shareholders contribution, per share (SEK)	–10.76	–	–	–5.42	–5.33
Net asset value per share at the end of the period, recalculated for shareholders contribution (SEK)	20.92	–	–	24.92	26.20
b) Net asset value per share at the beginning of the period (12 months) (SEK)	24.54	21.03	119.5	31.53	25.60
(a-b)/b = Return on net asset value, per share, %	**–14.7**	**16.7**	**–82.4**	**–21.0**	**2.3**

Fair value of shares in portfolio companies

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
Shares in portfolio companies at fair value, as reported	2,802.9	2,722.2	1,474.7	2,769.8	2,939.4

Change in fair value of shares in portfolio companies

	1 January – 31 December				
MSEK	**2023**	**2022**	**2021**	**1 January – 31 March 2024**	**1 January – 31 March 2023**
Change in fair value of shares in portfolio companies	–532.8	94.8	–1,586.0	–152.8	60.0

Change in fair value of shares in portfolio companies, %

	1 January – 31 December				
	2023	**2022**	**2021**	**1 January – 31 March 2024**	**1 January – 31 March 2023**
a) Change in fair value of portfolio companies (MSEK)	–532.8	94.8	–1,586.0	–152.8	60.0
b) Fair value of portfolio companies at beginning of period (MSEK)	2,722.2	1,474.7	2,499	2,802.9	2,722.2
a/b=change in fair value, %	**–19.6**	**6.4**	**–63.5**	**–5.5**	**2.2**

Change in fair value of shares in portfolio companies per share (SEK)

	1 January – 31 December				
	2023	**2022**	**2021**	**1 January – 31 March 2024**	**1 January – 31 March 2023**
a) Change in fair value of shares in portfolio companies (MSEK)	–532.8	94.8	–1,586.0	–152.8	60.0
b) Average number of shares during the period (2022 recalculated for share split 1:500)	91,464,023	25,000,000	25,000,000	112,578,947	25,973,099
a*1,000,000/b = Change in fair value per share (SEK)	**–5.83**	**3.79**	**–63.4**	**–1.36**	**2.31**

Expense ratio, %

	31 December				
	2023	**2022**	**2021**	**31 March 2024**	**31 March 2023**
a) Other external costs, last twelve months (MSEK)	27.1	16.2	3.9	20.8	23.9
b) Personnel costs, last twelve months (MSEK)	11.7	7.3	1.1	11.5	9.4
c) Depreciation, last twelve months (MSEK)	0.6	0.6	0.6	0.6	0.6
d) Other operating income excluding FX-effect, last twelve months (MSEK)	–1.6	–	–	–3.4	1.4
e) Fair value of portfolio, end of period (MSEK)	2,802.9	2,722.2	1,474.7	2,769.8	2,939.4
(a+b+c+d)/e=Expense ratio, last twelve months, %	**1.35**	**0.89**	**0.38**	**1.07**	**1.20**

Portfolio investments

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
Investments in shares in portfolio companies during the period	622.1	1,227.1	549.8	140.8	157.2

Invested capital

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
a) Invested capital in shares and participations of the existing portfolio at the last balance sheet date	2,823.5	2,203.0	1,139.5	2,946.8	2,376.0
b) Investment relating to Provell Pharmaceuticals (loan)	52.7	23.2	–	60.8	23.2
c) Capital invested in shares and participations in written-down portfolio companies	126.3	126.3	32.2	–	126.3
a+b+c = invested capital	**3,002.5**	**2,352.4**	**1,171.7**	**3,007.6**	**2,525.4**

Net invested capital

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
a) Invested capital in shares and participations in the existing portfolio at the last balance sheet date	2,823.5	2,203.0	1,139.5	2,946.8	2,376.0
b) Investment relating to Provell Pharmaceuticals (loan)	52.7	23.2	–	60.8	23.2
c) Investments in divested or written-down portfolio companies	628.2	628.2	515.5	628.2	628.2
d) Total divestments	–1,708.4	–1,707.8	–1,707.8	–1,715.0	–1,707.8
a+b+c+d = net invested capital	**1,796.0**	**1,146.6**	**–52.8**	**1,920.8**	**1,319.6**

Internal rate of return (IRR), %[1)]

	31 December		
	2023	**2022**	**2021**
a) Net invested capital (MSEK)	–1,796.0	–1,146.6	52.8
Fair value of shares in portfolio companies (MSEK)	2,802.9	2,722.2	1,348.8
Investment relating to Provell Pharmaceuticals (loan)	–52.7	–23.2	–
Fair value at end of period (including investment related to Provell Pharmaceuticals (loan)	2,855.6	2,745.4	1,348.8
Internal rate of return according to the standard calculation for such (IRR), %	**13.8**	**20.5**	**21.1**

1) The internal rate of return (IRR) is calculated on an annual basis only.

Capital gains

	31 December				
MSEK	**2023**	**2022**	**2021**	**31 March 2024**	**31 March 2023**
Proceeds from sale of shares and participations in portfolio companies	2.2	–	–	40.9	–
Acquisition cost	1.5	–	–	28.2	–
a-b = capital gains	**0.7**	**–**	**–**	**12.7**	**–**

Operational and financial review

The information presented below is intended to facilitate the understanding and evaluation of trends and changes in Flerie's operating results, operations, and financial position and should be read in conjunction with the sections "Selected historical financial information" and "Capital structure, indebtedness and other financial information". The financial information is derived from and shall be read in conjunction with Flerie Invest's audited financial reports as per and for the financial years ended 31 December 2021, 2022, and 2023 as well as Flerie Invest's unaudited interim report for the three-month period ended 31 March 2024 with comparative figures for the three-month period ended 31 March 2023 (incorporated in the Prospectus by reference). Flerie Invest's audited annual reports as per and for the financial years ended 2021, 2022 and 2023 have been prepared in accordance with IFRS, as adopted by the EU and audited by the Flerie Invest's independent auditors. The annual reports for the financial years 2022 and 2023 have been audited by Flerie Invest's independent auditor EY and the financial report for the financial year 2021 has been audited by Flerie Invest's then independent auditor RSM.

Flerie Invest's unaudited interim report for the three-month period ended 31 March 2024 with comparative figures for the three-month period ended 31 March 2023 (incorporated in the Prospectus by reference) has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU.

The comments on the financial development are intended to facilitate understanding and evaluation of trends and changes in Flerie's financial results. The reader should note that historical results do not necessarily give an indication of future results of Flerie.

IMPORTANT FACTORS THAT AFFECT FLERIE'S EARNINGS AND FINANCIAL POSITION

Operational and financial developments of the portfolio companies

Flerie is an investment company, whose results and financial position are a direct effect of the market value of its holdings. Given that operational and financial results in the portfolio companies have a direct impact on the companies' market value in the long run, this can also have a direct impact on Flerie's net asset value.

Ability to make successful investments and actively work with the holdings to generate an attractive return

Flerie's ability to identify attractive investments and create an attractive return has a direct impact on the results of the business. Flerie's perception is thus that the following factors are important for the Company's future results:

- Flerie's ability to attract and deploy capital and identify attractive investments. This applies to both the ability to make additional investments in the existing portfolio and the ability to identify investment opportunities in new portfolio companies.
- Flerie's ability to successfully appoint and/or continuously work with management teams and boards in Flerie's portfolio companies to achieve the adopted strategy and full value potential in the respective company.
- Flerie's ability to further develop and benefit from its broad network of co-investors and its large pharma network that support the portfolio companies during the investment cycle.

For further information on how Flerie works actively with investments and portfolio companies, see the section "*Business description – Investment strategy*".

Macroeconomic conditions and market conditions
As an investment company, Flerie is affected by a number of macroeconomic and market-related factors, including the prevailing conditions in the financial markets and general economic developments. A stronger or weaker economy or stock market, which are beyond Flerie's control, can both directly and indirectly affect the value of Flerie's investments and thus also Flerie's earnings and financial position. In addition to general economic developments and the prevailing stock market climate, market sentiment regarding investments in the life sciences sector may also have an impact on the valuation of particularly Flerie's listed holdings and thus affect Flerie's net asset value. The factors mentioned above can also affect the ability of the portfolio companies to attract capital to finance continued business and/or research development. For further information on risks related to economic conditions and market conditions, see the section "*Risk factors*".

Tax
Prior to the Transaction, Flerie Invest was considered to exclusively, or nearly exclusively, manage securities with the purpose of offering risk distribution to shareholders. This risk distribution has led to the company being considered an investment entity for accounting purposes according to IFRS 10 but is not in itself sufficient for the company to be classified as an investment company for income tax purposes. Thus, the company is taxed on profits and dividends on directly owned shares and participations held as capital assets only to the extent that these shares and participations are non-business related. Dividends and gains on business-related holdings are not taxable. Taxable holdings include holdings in listed shares in which Flerie has an ownership share of less than ten per cent of the votes and listed shares where ownership exceeds ten per cent of the votes, but the ownership has reached this level for a period of less than twelve months. As of the date of the Prospectus, Flerie owns less than ten per cent of the votes in one listed company, all other listed investments owned by Flerie exceed the ten per cent threshold and are thus considered company related.

A qualification as an investment company for income tax purposes requires that a large number of natural persons are shareholders in the company, that the portfolio is diversified and that the company exclusively or almost exclusively manages and holds securities. In light of the ownership structure following the Transaction and the Capital Raise, it is not considered likely that either Flerie or Flerie Invest independently fulfil all the requirements to qualify as an investment company, based on the wording of the Swedish Income Tax Act. In the event that Flerie or Flerie Invest would fulfil the requirements for investment companies, the tax situation of the companies would change, e.g., dividend from underlying shareholdings received by an investment company is considered as a taxable business income for an investment company. On the other hand, dividends distributed from the investment company to its shareholders is generally deductible. For further information on current and deferred tax, see note 2 in Flerie Invest's annual report for the financial year 2023 incorporated in the Prospectus by reference.

VALUATION METHODOLOGY

Flerie is an investment entity in accordance with IFRS 10 and values the holdings of the portfolio at fair value. The calculation of fair value is based on the provisions of IFRS 13 "Fair Value Measurement" as regards calculation and reporting of fair value. In addition, Flerie follows guidelines in the International Private Equity and Venture Capital Valuation Guidelines (IPEV Valuation Guidelines), which are established by IPEV.

Fair value hierarchy
For financial assets at fair value, valuation is performed in accordance with the following valuation hierarchy. For further information on valuation bases and fair value hierarchies, see note 2 in Flerie Invest's annual report for the financial year 2023 incorporated in the Prospectus by reference. As per the date of the Prospectus, Flerie does not use Level 2A, Level 3D or Level 3E when performing valuations.

- *Level 1A: Latest trading price*
  Fair value is determined on the basis of observable (unadjusted) quoted prices in an active market.

- *Level 3A: Latest investment*
  Fair value is determined based on the subscription price of the most recent new share issue conducted for the company, provided that the most recent share issue was conducted within the latest 12-month period, and that in light of relevant factors still being considered a relevant measurement reference. However, emissions at a subscription price that is considered to provide a misleading view of the fair value of the share are exempted from this measurement method. Examples can include bonus issues, issues at a clear discount/premium, and preferential rights issues where existing shareholders have the right to subscribe for shares in relation to their previous holdings.

- *Level 3B Latest investment, adjusted*
  Fair value is determined based on the principle in Level 3A, but the most recent issue was conducted earlier than 12 months prior to the measurement date. The latest issue still comprises the starting point for the measurement, but in addition the company's performance against the business plan that Flerie initially invested in is analysed, as well as the latest business plan including the company's performance and market conditions.

- *Level 3C: Latest known transaction of participations*
  Fair value is determined based on known over-the-counter (OTC) transactions from known trading platforms or individual operators during the relevant accounting period.
- *Level 3D: Relative measurement/multiple valuation*
  Fair value is determined based on measurement multiples such as EV/Sales, EV/EBITDA, EV/EBITA, EV/EBIT and PER, which are adjusted to account for differences in market, operation, and risk.
- *Level 3E: Statement of discounted cash flows*
  Fair value is determined based on calculations of the present value of estimated future cash flows, based on the majority of unobservable input data used in the DCF model. This method is suitable if the company generates a cash flow in the form of turnover or profit, and measurement under higher priority methods is not applicable or is considered to be less reliable than this method.
- *Level 3F: Other measurement method*
  Fair value is established based on a measurement method other than higher priority methods. If applicable, the net asset value is used as the starting point for fair value. Any adjustments of the net asset value to reflect the fair value are assessed based on given conditions for the specific asset and the company management's evaluation thereof.

As of 31 March 2024, the following was the split between the valuation methodologies based on total fair value for the portfolio companies: Level 1A: Latest trading price (24 per cent), Level 3A: Latest investment (29 per cent), Level 3B: Latest investment, adjusted (38 per cent), Level 3C: Latest known transaction of participations (2 per cent) and Level 3F: Other measurement method (8 per cent).

Application of the fair value hierarchy on the portfolio

Flerie applies Level 1A in the fair value hierarchy as valuation methodology for all listed holdings, except for Eurocine Vaccine. Below is an overview of applied valuation methodologies for Flerie's unlisted holdings[1] as well as Eurocine Vaccine as of 31 March 2024.

Portfolio company[2]	Segment	Valuation methodology
Alder Therapeutics	Product Development	3B
Amarna Therapeutics	Product Development	3F
AnaCardio	Product Development	3A
Atrogi	Product Development	3B
Buzzard Pharmaceuticals	Product Development	3F
Empros Pharma	Product Development	3A
EpiEndo Pharmaceuticals	Product Development	3F
Geneos Therapeutics	Product Development	3B
KAHR Medical	Product Development	3A
Microbiotica	Product Development	3B
Prokarium	Product Development	3B
Sixera Pharma	Product Development	3A
Strike Pharma	Product Development	3F
Synerkine Pharma	Product Development	3A
Vitara Biomedical	Product Development	3A
A3P Biomedical	Commercial Growth	3F
Bohus Biotech	Commercial Growth	3F
Chromafora	Commercial Growth	3A
Frontier Biosolutions	Commercial Growth	3A
NorthX Biologics	Commercial Growth	3B
Provell Pharmaceuticals	Commercial Growth	3C
Symcel	Commercial Growth	3A
Alder Fund III	Limited Partnership	3F
3B Future Health Fund II	Limited Partnership	3F
HealthCap Fund IX	Limited Partnership	3F

1) Including portfolio companies whose fair value has been written down to SEK 0.
2) Excluding listed portfolio companies.

COMPARISON BETWEEN THE PERIOD 1 JANUARY – 31 MARCH 2024 AND 1 JANUARY – 31 MARCH 2023 FOR FLERIE INVEST

Net asset value

As of 31 March 2024, Flerie Invest's net asset value amounted to MSEK 3,416.2 compared with MSEK 3,549.0 as of 31 March 2023. As of 31 March 2024, the net asset value per share amounted to SEK 30.35, compared with SEK 31.52 as of 31 March 2023. The development was primarily attributable to a negative change in fair value of the portfolio, MSEK –745.6 from 31 March 2023 – 31 March 2024, however offset by the unconditional shareholders contribution of MSEK 611 received during the fourth quarter of 2023.

Profit/loss

Profit/loss from management activities during the period 1 January – 31 March 2024 amounted to MSEK –148.8, compared with MSEK 60.4 during the corresponding period in 2023. As of 31 March 2024, Flerie Invest's total fair value of the portfolio amounted to MSEK 2,769.8 compared with MSEK 2,939.4 as of 31 March 2023. During the period 1 January – 31 March 2024, the total fair value of the portfolio decreased by MSEK –152.8, or SEK –1.36 per share, compared with MSEK 60.0, or SEK 2.31 per share, for the corresponding period in 2023. This development was primarily attributable to the full write-down of the share value in the portfolio companies EpiEndo Pharmaceuticals, MSEK –73.4, and XNK Therapeutics, MSEK –59.2. Furthermore, while there was a negative development for the share price for the publicly listed company Nanologica (MSEK –52.8) following the announcement of a new share issue in the company, the share price development was positive for other publicly listed portfolio companies such as Xspray Pharma, MSEK 17.3, Xintela, MSEK 13.6 and Egetis Therapeutics, MSEK 12.2. The currency exchange rate effect during the period 1 January – 31 March 2024 was positive, MSEK 57.9 compared to MSEK 9.6 in the corresponding period in 2023.

Total fair value of the Product Development segment at as of 31 March 2024 amounted to MSEK 2,051.1, compared to MSEK 2,246.1 as of 31 March 2023, a decrease of MSEK 195.0. Change in fair value of the segment for the period 1 January – 31 March 2024 amounted to MSEK –89.6 (MSEK 86.2). The decrease in fair value was primarily attributable to the write-down of the share value in the portfolio companies EpiEndo Pharmaceuticals, MSEK –73.4, and in XNK Therapeutics, MSEK –59.2. Also, the fair value for the portfolio companies Buzzard Pharmaceuticals and Strike Pharma has been reduced by MSEK –35.1 and MSEK –6.9 respectively following lower valuations in the upcoming funding rounds. Investments in the period totalled MSEK 92.8 (MSEK 142.9); of which MSEK 75.6 in Empros Pharma (by conversion of loan to equity), and MSEK 17.2 in a second tranche of the initial investment in AnaCardio.

Total fair value of the Commercial Growth segment as of 31 March 2024 amounted to MSEK 635.5, compared to MSEK 644.9 as of 31 March 2023; a decrease of MSEK 9.4. The change in the segment´s fair value during the period was negative, MSEK –65.3 (MSEK –22.5). The decrease was due to the negative share price development in Nanologica following the announcement of a new share issue. The value change was also affected by a lower valuation in Symcel's latest financing round. Investments in the period 1 January – 31 March 2024 amounted to MSEK 37.6 (MSEK 0).

Total fair value of the Limited Partnership segment as of 31 March 2024 amounted to MSEK 83.2 compared to MSEK 48.5 as of 31 March 2023, an increase of MSEK 34.7. Change in fair value of the segment during the period was MSEK 2.8, mainly due to a positive currency exchange rate effect. Investments during the period 1 January – 31 March 2024 amounted to MSEK 10.5 (MSEK 14.3).

Flerie Invest's operating profit/loss during the period 1 January – 31 March 2024 amounted to MSEK –155.2, compared to MSEK 47.0 during the corresponding period in 2023. Income tax amounted to MSEK 2.3 (MSEK –8.7 during the corresponding period in 2023) and Flerie Invest's profit/loss totalled MSEK –149.5, compared with MSEK 35.5 during the corresponding period in 2023. The income tax consisted of current tax of MSEK 0.0 (MSEK 0.0) and deferred tax of MSEK 2.3 (MSEK –8.7). The entire loss of MSEK –149.5 was attributable to the parent company's shareholders.

Assets, financing and liabilities

Flerie Invest's fair value of shares in portfolio companies amounted to MSEK 2,769.8 as of 31 March 2024, compared with MSEK 2,939.4 as of 31 March 2023. This development was primarily attributable to investments in existing portfolio companies during the 12 months totalling MSEK 496.5, of which the largest were in Empros Pharma MSEK 75.6, Xspray Pharma, MSEK 71.5 and Amarna Therapeutics, MSEK 59.4. Investments in new portfolio companies during the 12 months amounted to MSEK 109.2 of which MSEK 90.0 in Mendus and MSEK 19.2 in Frontier Biosolutions. During the period the fair value of shares in portfolio companies decreased by MSEK –745.6. Flerie Invest's cash and cash equivalents amounted to MSEK 300.5 as of 31 March 2024, compared with MSEK 479.2 as of 31 March 2023. This development was primarily attributable to investments in shares, MSEK –496.5, extending loans to portfolio companies of MSEK –78.9 (net), offset by cash inflow from a shareholder contribution of MSEK 335 and utilising the loan facility of MSEK 90. As of 31 March 2024, other contributed capital amounted to MSEK 4,791.0 and Flerie Invest's total current liabilities amounted to MSEK 103.9, compared with MSEK 4,179.4 and MSEK 328.1, respectively, as of 31 March 2023.

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK –0.8 for the period 1 January – 31 March 2024, compared with MSEK –13.1 for the corresponding period in 2023. This development was primarily attributable to lower operating expenses in the first quarter 2024 as compared to 2023. Total changes in working capital amounted to MSEK –1.1 during the period 1 January – 31 March 2024, compared with MSEK 34.2 for the corresponding period in 2023. This development was primarily attributable to payment of accrued interest in 2023. During the period 1 January – 31 March 2024, acquisitions of participations in portfolio companies amounted to MSEK –140.8 in total, compared with MSEK –92.1 for the corresponding period in 2023. In existing portfolio companies, Flerie Invest made additional investments in the amount of MSEK –140.8 during the period 1 January – 31 March 2024. Cash flow from financing activities amounted to MSEK 89.9, compared with MSEK 299.9 during the corresponding period of 2023, which primarily is attributable to utilisation of available loan facilities in the respective periods. Cash flow from investing activities amounted to MSEK –117.5 during the period 1 January – 31 March 2024, compared with MSEK –167.3 during the corresponding period in 2023.

COMPARISON BETWEEN THE PERIOD 1 JANUARY – 31 DECEMBER 2023 AND 1 JANUARY – 31 DECEMBER 2022 FOR FLERIE INVEST

Net asset value

As of 31 December 2023, Flerie Invest's net asset value amounted to MSEK 3,565.8, compared with MSEK 613.4 as of 31 December 2022. As of 31 December 2023, the net asset value per share[1)] amounted to SEK 31.67, compared with SEK 24.54 as of 31 December 2022. This development was primarily attributable to a decrease in fair value of shares in portfolio companies, MSEK –532.8 and operating costs of MSEK –42.9 offset by shareholders contribution of MSEK 1,211.9.

Profit/loss

The profit/loss from management activities during the period 1 January – 31 December 2023 amounted to MSEK –528.2, compared with MSEK 103.1 during the corresponding period in 2022. As of 31 December 2023, Flerie Invest's total fair value of the portfolio amounted to MSEK 2,802.9, compared with MSEK 2,722.2 as of 31 December 2022. During the period 1 January – 31 December 2023, the total fair value of the portfolio decreased by MSEK –532.8, or SEK –5.83 per share, compared with an increase of MSEK 94.8, or SEK 3.79[2)] per share, for the corresponding period in 2022. The decrease in fair value was mainly attributable to a decrease in the valuation of the unlisted portfolio companies KAHR Medical, Amarna Therapeutics, XNK Therapeutics and A3P Biomedical and to lower share prices for the listed holdings Xspray Pharma, Toleranzia, Xintela, Egetis Therapeutics and Lipum. The value decreases were slightly offset by value increases in Prokarium and Geneos Therapeutics and in the listed portfolio companies Mendus and Nanologica.

Total fair value in the Product Development segment as of 31 December 2023 was MSEK 2,069.1, compared to MSEK 2,016.9 as of 31 December 2022, an increase of MSEK 52.2. Change in fair value of the segment for the financial year 2023 was MSEK –513.4. The fair value decrease was primarily related to a lower valuation for KAHR Medical in the latest financing round, MSEK –213.2 and to a value reduction of Amarna Therapeutics, MSEK –134.5, following a negative read-out from a preclinical study, as well as to an unfavourable share price development for the publicly listed portfolio companies Xspray Pharma, MSEK –53.4, Toleranzia, MSEK –34.9, Xintela MSEK –21.6 and Egetis Therapeutics, MSEK –21.3 partially compensated by an increase in valuation for Prokarium, MSEK 30.2, and Geneos Therapeutics, MSEK 17.3, following financing rounds carried out in the first quarter 2023. The currency effect during the period 1 January – 31 December 2023 was negative and amounted to MSEK –5.0 (MSEK 69.0). Investments in the period totalled MSEK 567.1 (MSEK 846.0) of which MSEK 90.0 in new portfolio company Mendus. The larger additional investments were in Prokarium, MSEK 103.2, Xspray Pharma, MSEK 71.5, Amarna Therapeutics, MSEK 59.4, KAHR Medical, MSEK 57.4, and Xintela, MSEK 57.1. Divestment in the period amounted to MSEK 1.5 and related to Egetis Therapeutics.

Total fair value of the Commercial Growth segment as of 31 December 2023 was MSEK 663.2, compared to MSEK 667.4 as of 31 December 2022; a decrease of MSEK –4.2. Change in fair value of the segment for the year 2023 was MSEK –16.5 (MSEK 10.3). The decrease was due to a value reduction of MSEK –25.0 in the portfolio company A3P Biomedical due to delayed commercial development, while the share price development for the publicly listed company Nanologica was positive, MSEK 2.4. The value change was also affected by an adjustment to the opening acquisition cost for Nanologica, MSEK 7.0. Investments during the period 1 January – 31 December 2023 totalled MSEK 19.2 and related to the new portfolio company Frontier Biosolutions.

Total fair value of the Limited Partnerships as of 31 December 2023 was MSEK 70.6, compared to MSEK 37.9 as of 31 December 2022; an increase of MSEK 32.7. Change in fair value of the segmented was MSEK –3.0. The decrease is due to a correction of fair value, MSEK –2.1, and a negative currency effect of MSEK –0.9. During 1 January – 31 December 2023, the

1) Number of shares in 2022 and 2021 recalculated based on share split 500:1 carried out in March 2023.
2) Number of shares recalculated based on share split 500:1 carried out in March 2023.

initial investments in new Limited Partnership investments amounted to MSEK 2.3 and follow-on investments to MSEK 33.4.

Flerie Invest's operating profit during the period 1 January – 31 December 2023 amounted to MSEK –571.1, compared to MSEK 79.0 during the corresponding period in 2022. Income tax amounted to MSEK 1.9 (MSEK –1.4 during the corresponding period in 2022) and the net profit/loss for the period totalled MSEK –559.6, compared with a profit of MSEK 87.6 during the corresponding period of 2022. The income tax consisted of current tax of MSEK 3.5 (MSEK –8.6) and deferred tax of MSEK –1.6 (MSEK 7.2). The loss of MSEK –559.6 was primarily attributable to a decrease in fair value of shares in portfolio companies of MSEK –532.8 and operating costs of MSEK –42.9.

Assets, financing and liabilities

Flerie Invest's cash and cash equivalents amounted to MSEK 330.0 as of 31 December 2023, compared with MSEK 394.2 as of 31 December 2022. The development was primarily attributable to investment activities of MSEK –625.2 and loans received of MSEK 635.1. As of 31 December 2023, other contributed capital provided amounted to MSEK 4,791.0 and Flerie Invest's total current liabilities to MSEK 11.2, compared with MSEK 1,279.6 and MSEK 2,915.5, respectively, as of 31 December 2022.

Flerie Invest's fair value of shares in portfolio companies was MSEK 2,802.9 as of 31 December 2023, compared with MSEK 2,722.2 as of 31 December of 2022. The development was primarily attributable to new and follow-on investments of MSEK 622.1 and a negative fair value change of MSEK 532.8. The change was attributable to two new share issues carried out whereby SEK 2.3 billion was added to equity through the conversion of liabilities to group companies T&M Förvaltning AB and T&M Participation AB. In addition, T&M Participation AB made unconditional shareholder contributions totalling MSEK 1,211.9 during the year 2023.

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK –37.6 for the period 1 January – 31 December 2023, compared with MSEK –11.8 for the corresponding period in 2022. The development was primarily attributable to increased operating costs from the expansion of the business as well as one-off costs. Total changes in working capital amounted to MSEK –36.2 during the period 1 January – 31 December 2023, compared with MSEK 9.4 for the corresponding period in 2022. The development was primarily attributable to payment of accrued interest in 2023. Flerie Invest's cash flow from operating activities amounted to MSEK –73.8 during the period 1 January – 31 December 2023, compared with MSEK –2.4 for the corresponding period in 2022.

During the period 1 January – 31 December 2023, acquisitions in shares in portfolio companies amounted to MSEK 622.1, compared with MSEK 1,191.3 for the corresponding period in 2022. In existing portfolio companies, Flerie Invest made additional investments in the amount of MSEK 510.6 in total during the period 1 January – 31 December 2023, while investments in new portfolio companies amounted to MSEK 111.5.

Cash flow from investing activities amounted to MSEK –625.2 during the period 1 January – 31 December 2023, compared with MSEK –1,294.1 during the corresponding period in 2022. Cash flow from financing activities amounted to MSEK 634.7 during the period 1 January – 31 December 2023, compared with MSEK 1,390.6 during the corresponding period in 2022, which primarily was attributable to capital contributions received to finance the operations.

COMPARISON BETWEEN THE PERIOD 1 JANUARY – 31 DECEMBER 2022 AND 1 JANUARY – 31 DECEMBER 2021 FOR FLERIE INVEST

Net asset value

As of 31 December 2022, Flerie Invest's net asset value amounted to MSEK 613.4, compared with MSEK 525.8 as of 31 December 2021. As of 31 December 2022, the net asset value per share[1] amounted to SEK 24.5, compared with SEK 21.0 as of 31 December 2021. The development was primarily attributable to an increase in fair value of shares in portfolio companies, MSEK 94.8 and operating costs of MSEK –23.5.

Profit/loss

The profit/loss from management activities during the period 1 January – 31 December 2022 amounted to MSEK 103.1, compared with MSEK –1,582.2 during the corresponding period in 2021. As of 31 December 2022, Flerie Invest's total fair value of the portfolio amounted to MSEK 2,722.2, compared with MSEK 1,474.7 as of 31 December 2021. During the period 1 January – 31 December 2022, the total fair value of the portfolio increased by MSEK 94.8, or SEK 3.8[2] per share, compared with MSEK –1,586.0, or SEK –63.4[3] per share, for the corresponding period in 2021. The increase in fair value was primarily attributable to an increase in valuation of portfolio company Symcel, MSEK 107, as well as favourable currency exchange effects amounting to MSEK 69.5, offset by an adjustment of the value of portfolio company Bohus Biotech MSEK –68.5.

1) Number of shares in 2022 and 2021 recalculated based on share split 500:1 carried out in March 2023.
2) Number of shares recalculated based on share split 500:1 carried out in March 2023.
3) Number of shares recalculated based on share split 500:1 carried out in March 2023.

Total fair value in the Product Development segment as of 31 December 2022 was MSEK 2,016.9, compared to MSEK 1,075.6 as of 31 December 2021, an increase of MSEK 941.3. Change in fair value of segment for the financial year 2022 was MSEK 95.3. The increase was mainly due to favourable currency exchange rate effects from the USD and EUR denominated investments, amounting to MSEK 67.9. Further, Flerie Invest had a positive value development for their publicly listed portfolio companies Egetis Therapeutics (MSEK 33.8) and Xintela (MSEK 23.6), and a negative value development for Xspray Pharma (MSEK –17.0). Investments in the period totalled MSEK 846.0 (MSEK 394.0); of this approximately MSEK 460.8 were new investments in Microbiotica (MSEK 130.2), XNK Therapeutics (MSEK 106.6), Geneos Therapeutics (MSEK 77.6), AnaCardio (MSEK 34.4), Xintela (MSEK 33.9), Vitara Biomedical (MSEK 34.4), Alder Therapeutics (MSEK 10.0), Strike Pharma (MSEK 9.7) and Sixera (MSEK 24.0, from T&M Participation AB). Follow-on investments amounted to MSEK 385.2 and related primarily to Xspray Pharma, KAHR Medical, Atrogi, EpiEndo Pharmaceuticals and Egetis Therapeutics.

Total fair value of the Commercial Growth segment as of 31 December 2022 was MSEK 667.4, compared to MSEK 312.7 as of 31 December 2021; an increase of MSEK 354.7. Change in fair value of the segment for the financial year 2022 was MSEK 10.3 (MSEK –15.1). The change in underlying values was positive due to an increase in value for Symcel (MSEK 107.3) after a new share issue in March 2022, however offset by an impairment of the value of Bohus Biotech (MSEK –68.5) after significant production issues caused suspension of the medical device certificate. Following that, Bohus Biotech applied for voluntary corporate restructuring. The corporate restructuring has now been completed and Bohus Biotech has regained its medical device certificate. Further, the share prices for the publicly listed company Nanologica decreased, impacting the value by MSEK –34.1. Investments for the financial year 2022 totalled MSEK 344.9 (MSEK 155.9), of this approximately MSEK 219.0 were new investments in A3P Biomedical AB (MSEK 100.0), Bohus Biotech AB (MSEK 85.1) and Chromafora (MSEK 33.9, from T&M Participation AB). Follow-on investments amounted to MSEK 125.9 in total and related to new share issues in Symcel, Nanologica and NorthX Biologics as well as a group contribution to NorthX Biologics of MSEK 27.7.

Total fair value of the Limited Partnerships as of 31 December 2022 was MSEK 37.9, compared to MSEK 86.4 as of 31 December 2021; a decrease of MSEK 48.5. Change in fair value of the segmented was MSEK –10.8, mainly due to the investment in the fund Lannebo NanoCap (MSEK –12.4) that was divested in the first quarter of 2022 to T&M Participation AB for MSEK 74.0. Investments during the financial year 2022 related to two capital calls in 3B Future Health Fund for MSEK 36.2.

Flerie Invest's operating profit during the period 1 January – 31 December 2022 amounted to MSEK 79.0, compared to MSEK –1,587.8 during the corresponding period in 2021. Income tax amounted to MSEK 1.4 (MSEK 4.9 during the corresponding period in 2021) and the net profit/loss for the period totalled MSEK 87.6, compared with a loss of MSEK –1,599.5 during the corresponding period of 2021. The income tax consisted of current tax of MSEK –8.6 (MSEK –1.0) and deferred tax of MSEK 7.2 (MSEK –3.9). The profit of MSEK 87.6 was primarily attributable to an increase in fair value of shares in portfolio companies of MSEK 94.8 and operating costs of MSEK –23.5.

Assets, financing and liabilities

Flerie Invest's cash and cash equivalents amounted to MSEK 394.2 as of 31 December 2022, compared with MSEK 300.0 as of 31 December 2021. The development was primarily attributable to cash injections through short-term loans from group company of MSEK 1,391, less payments for investments in shares in portfolio companies of MSEK 1,191.3. As of 31 December 2022, other contributed capital provided amounted to MSEK 1,279.6 and Flerie Invest's total current liabilities amounted to MSEK 2,915.5, compared with MSEK 1,279.6 and MSEK 1,485.4, respectively, as of 31 December 2021.

Flerie Invest's fair value of shares in portfolio companies was MSEK 2,722.2 as of 31 December 2022, compared with MSEK 1,474.7 as of 31 December 2021. The development was primarily attributable to investments in new portfolio companies of MSEK 638.4 in total, of which the largest were in Microbiotica (MSEK 130.2), XNK Therapeutics (MSEK 100) and A3P Biomedical (MSEK 100). Furthermore, Flerie Invest made follow-on investments in existing portfolio companies of MSEK 588.8 in total, of which the biggest were in Xspray Pharma (MSEK 98.4), KAHR Medical (MSEK 65.3) and Nanologica (MSEK 59.2). During the financial year 2022, the fair value of participations in portfolio companies increased by MSEK 94.8 and in the same period Flerie Invest's investment in the fund Lannebo NanoCap was divested for MSEK 74.0.

Cash flow

Cash flow from operating activities before changes in working capital amounted to MSEK –11.8 for the period 1 January – 31 December 2022, compared with MSEK 0.3 for the corresponding period in 2021. The development was primarily attributable to increased operating costs due to the expansion of the operation. Total changes in working capital amounted to MSEK –9.4, compared with MSEK –597.7 for the corresponding period in 2021. The development was primarily attributable to an increased liability for interest expenses to group companies as of 31 December 2022 and, as of 31 December 2021 a liability to group companies regarding the transfer of shares in a portfolio company to Flerie Invest. Flerie Invest's cash flow from operating activities amounted to MSEK –2.4, compared with MSEK –597.4 for the corresponding period in 2021.

During the period 1 January – 31 December 2022, acquisitions in shares in portfolio companies amounted to SEK 1,191.3, compared with MSEK 477.5 for the corresponding period in 2021. In existing portfolio companies, Flerie Invest made additional investments in the amount of MSEK 530.8 in total during the period 1 January – 31 December 2022. Furthermore, Flerie Invest entered subscription commitments in upcoming share issues as well as loan commitments of MSEK 223.0 in total. In addition, fund units in the fund Lannebo NanoCap were divested in 2022 for MSEK 74.0, which resulted in a surplus of MSEK 74.0 in the period 1 January – 31 December 2022.

Cash flow from investing activities amounted to MSEK –1,294.1 during the period 1 January – 31 December 2022, compared with MSEK 0.4 during the corresponding period in 2021. Cash flow from financing activities amounted to MSEK 1,390.6 during the period 1 January – 31 December 2022, compared with MSEK 531.6 during the corresponding period in 2021, which primarily is attributable to capital contributions from group company T&M Participation AB of MSEK 1,391.

Capital structure, indebtedness and other financial information

CAPITAL STRUCTURE AND INDEBTEDNESS

As a result of the Transaction being classified as a reverse asset acquisition according to IFRS, InDex's accounts are included in Flerie Invest's accounts since the transaction date 10 June 2024, and the historical financial reports of Flerie Invest constitute the Group's accounts. The tables in this section therefore describe Flerie Invest's capital structure and net indebtedness on a group level as of 31 March 2024. See the section "*Share capital and ownership structure*" for additional information regarding, inter alia, the Company's share capital and shares. The tables in this section should be read together with the sections "*Selected historical financial information*", "*Operational and financial review*", and "*Legal considerations and supplementary information – Documents incorporated by reference*". In addition to what has been described in the section "*Effects of the Transaction*" no significant changes has been made since 31 March 2024 in regard to the capitalisation of the Group since 31 March 2024.

Capitalisation

The capitalisation of Flerie Invest as of 31 March 2024 is presented in the table below.

MSEK	31 March 2024
Current liabilities	
Guaranteed	–
Secured	–
Unsecured	103.9
Total current liabilities[1] (including the current portion of non-current liabilities)	**103.9**
Non-current liabilities	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	5.4
Total non-current liabilities[2] (excluding the current portion of non-current liabilities)	**5.4**
Equity	
Share capital	0.6
Other contributed capital and provisions	4,791.0
Retained earnings including net profit/loss for the period	–1,375.4
Total	**3,525.5**

1) Of current interest-bearing liabilities, MSEK 0.4 relates to lease liabilities in accordance with IFRS 16.
2) Of non-current interest-bearing liabilities, MSEK 0.8 relates to lease liabilities in accordance with IFRS 16.

Net indebtedness

The net indebtedness of Flerie Invest as of 31 March 2024 is presented in the table below.

MSEK	31 March 2024
(A) Cash and bank balances	300.5
(B) Other cash equivalents	–
(C) Other financial assets	–
(D) Liquidity (A)+(B)+(C)	**300.5**
(E) Current financial liabilities (including debt instruments, but excluding the current portion of non-current liabilities)	103.9
(F) Current portion of non-current financial liabilities	–
(G) Current financial indebtedness (E+F)	**103.9**
(H) Current financial net indebtedness (G-D)	**–196.7**
(I) Non-current financial liabilities (excluding current portion of non-current debt instruments)	2.2
(J) Debt instruments	–
(K) Non-current accounts payable and other liabilities	–
(L) Non-current financial indebtedness (I+J+K)	**2.2**
(M) Total financial indebtedness (H+L)[1]	**–194.4**

1) Financial liabilities include lease liabilities, of which current and non-current lease liabilities amount to MSEK 1.2.

CONTINGENT LIABILITIES AND OTHER INDIRECT INDEBTEDNESS

Other than investment commitments described in the section "*Capital structure, indebtedness and other financial information – Ongoing and decisive investments*" there are no external indirect indebtedness or external contingent liabilities as of the date of the Prospectus.

WORKING CAPITAL STATEMENT

It is the Company's assessment that the existing working capital, as of the date of the Prospectus, is sufficient for the Company's needs during the next twelve-month period.

HISTORICAL INVESTMENTS

Flerie Invest

The table below sets forth a summary of Flerie Invest's material investments in the portfolio companies during the financial years of 2021, 2022, and 2023 and during 1 January – 31 March 2024. From 1 April 2024 up to and including the day of the Prospectus, Flerie Invest has made investments equivalent to MSEK 129, which relates to investments in Atrogi, Buzzard Pharmaceuticals, Lipum, Mendus, Toleranzia, Xspray Pharma, KAHR Medical, Strike Pharma and investments in the Limited Partnership segment.[1)]

MSEK	1 January – 31 March 2024	2023	2022	2021
Alder Therapeutics	–	7.2	10.0	–
Amarna Therapeutics	–	59.4	–	27.6
AnaCardio	17.2	–	34.4	–
Atrogi[2)]	–	–	40.0	–
Beactica Therapeutics	–	–	1.0	–
Buzzard Pharmaceuticals	–	–	30.9	30.9
Egetis Therapeutics[3)]	–	2.7	40.9	18.4
Empros Pharma	75.5	22.7	8.1	–
EpiEndo Pharmaceuticals	–	–	38.4	24.6
Eurocine Vaccines	–	–	5.2	6.2
Follicum AB (Coegin Pharma)	–	–	–	1.4
Geneos Therapeutics	–	–	77.6	–
KAHR Medical	–	57.4	65.3	42.5
Lipum	0.0	7.5	25.4	9.4
Mendus	–	90.0	–	–
Microbiotica	–	–	130.2	–
Prokarium[4)]	–	103.2	8.2	–
Sixera Pharma[5)]	–	1.7	24.0	–
Strike Pharma	–	–	9.7	–
Synerkine Pharma	–	35.6	–	21.9
Toleranzia	–	30.1	23.3	40.0
Vitara Biomedical	–	21.0	34.4	–
Xintela	–	57.1	33.9	–
XNK Therapeutics	–	–	106.6	–
Xspray Pharma	–	71.5	98.3	100.0
A3P Biomedical	–	–	100.0	–
Bohus Biotech	–	–	85.1	–
Chromafora[6)]	11.4	–	33.9	–
Frontier Biosolutions	–	19.2	–	–
Nanologica	16.2	–	59.2	–
NorthX Biologics	–	–	39.2	150.0
Provell Pharmaceuticals	8.1	29.5	23.2	–
Symcel	10.0	–	27.5	4.5
Limited Partnerships	10.5	35.7	36.2	–
Total	**148.9**	**651.5**	**1,250.1**	**477.4**

1) The table below includes investments in Provell Pharmaceuticals, but not investments in convertibles in portfolio companies.
2) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
3) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2021.
4) On 28 December 2022, Flerie Invest acquired 37,500 ordinary shares of series A in Prokarium from Ted Fjällman.
5) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.
6) The initial investments were made through T&M Participation AB. The holding was subsequently transferred to Flerie Invest in 2022.

Flerie AB
Other than the investments carried out by Flerie Invest as described above, the Company has not carried out any significant investments since 31 December 2023 up until the date of the Prospectus.

HISTORICAL DIVESTMENTS

During 2024, Flerie Invest divested its entire holding in Eurocine Vaccines. The divestment has taken place on several different occasions and the total sales price has amounted to MSEK 0.2, resulting in a capital loss of MSEK –11.2.

During 2024 Flerie Invest has also divested parts of its holding in Egetis Therapeutics. The total sales price amounted to MSEK 40.9, resulting in a capital gain of MSEK 12.7.

In 2022, Flerie Invest divested fund units in the fund Lannebo NanoCap to T&M Participation AB against payment of approximately MSEK 74.0 (corresponding to the market value of the fund units as of 31 March 2022).

In 2022, Flerie Invest divested its holdings in Coegin Pharma.

In 2019, companies related to Flerie Invest divested its entire holding in Cobra Biologics to Cognate BioServices (which was subsequently divested to Charles River Laboratories). Cobra Biologics was a contract manufacturer of plasmid DNA, viral vector and microbiota products from pre-clinical through to clinical and commercial manufacture within GMP approved facilities. Flerie Invest's invested capital amounted to MSEK 159, and by the time of the divestment in 2019, the realised fair value amounted to MSEK 594. This development was attributable to several factors, including a combination of Swedish and UK factories in 2011, investments in cell and gene therapy in 2017 and a major expansion project in Matfors for GMP DNA in 2019. The multiple on invested capital for Flerie Invest's holding in Cobra Biologics amounted to 3.1x.

In 2018, companies related to Flerie Invest divested its entire holding in Wilson Therapeutics.

In 2016, Flerie Invest divested, along with other shareholders, the shares in Cormorant Pharmaceuticals to Bristol-Myers Squibb Company for a consideration of up to MUSD 520. Flerie Invest's invested capital in Cormorant Pharmaceuticals amounted to MSEK 43. The total consideration payable by Bristol-Myers Squibb to Flerie Invest includes an earn-out structure under which Flerie Invest's consideration may amount to MUSD 154. As of the date of this Prospectus, an amount of MSEK 505.9 has been paid to Flerie.

The value development of Cormorant Pharmaceuticals was attributable to several factors, including the achieved chemistry, manufacturing and controls (CMC) process development goals in 2013–2014, tox study results in 2014, and IND and NCI/NIH deal in 2015 to conduct a one-year clinical study. For more information on the divestment of Cormorant Pharmaceuticals, see the section "*Legal considerations and supplementary information – Material agreements – Investment agreements*". The multiple on invested capital for Flerie Invest's holding in Cormorant Pharmaceuticals as of 31 March 2024 amounted to 11.8x.

ONGOING AND DECISIVE INVESTMENTS

Flerie Invest
Flerie Invest has entered into investment agreements regarding the portfolio companies Vitara Biomedical, Synerkine Pharma and Symcel with commitments on sequential investments, so-called "tranches". The first investments/tranches have been completed in 2022. As of 31 March 2024, there were commitments from Flerie Invest to invest two additional tranches in Vitara Biomedical corresponding to MSEK 72 (based on the company achieving its defined milestones linked to ongoing clinical research studies), two additional tranches in Synerkine Pharma amounting to a total of MSEK 15.7 in 2024 and 2025 (based on the company achieving its defined milestones related to ongoing clinical research studies), and an additional tranche in Symcel totalling MSEK 5 in 2024 (based on the company achieving certain defined technical milestones, such as software update and prototype development).

Furthermore, Flerie Invest has committed to invest MUSD 5 in Frontier Biosolutions, of which a total of MUSD 1.6 has been paid as of the date of the Prospectus.

As of 31 March 2024, Flerie Invest had also entered into investment agreements in the Limited Partnership segment corresponding to an initial MSEK 283, of which MSEK 215.6 remains to be invested.

Flerie AB
Other than the ongoing and decided investments described in relation to Flerie Invest above, Flerie AB has no significant ongoing or decided investments as of the date of the Prospectus.

SIGNIFICANT EVENTS FOLLOWING 31 MARCH 2024

On 4 April 2024, the acceptance period of the public offer made by Flerie Invest to the shareholders and convertible bond holder of Lipum on 6 March 2024 expired. The offer price amounted to SEK 6.60 per share and MSEK 2 for the convertible bond. In total, shares corresponding to approximately 1.22 per cent of the number of shares in Lipum were tendered, and the convertible bond holder accepted the offer. The total investment in the mandatory offer thus amounted to approximately MSEK 2.8. In April 2024, Flerie Invest subscribed for shares in a rights issue in Lipum for a total amount of approximately MSEK 60.

In April 2024, XNK Therapeutics filed for bankruptcy, as a result of the company's failure to raise sufficient capital to continue its operations.

In April 2024, Flerie Invest has exercised warrants for subscription of shares in Mendus for a total amount of approximately MSEK 26. Furthermore, in April 2024, Flerie Invest has undertaken to exercise warrants in Xspray Pharma, corresponding to a total investment of approximately MSEK 23.

In April 2024, the value of the shares of EpiEndo Pharmaceuticals was written down in full, due to a setback in the company's phase IIa study, which failed to show that EP395 affects epithelial integrity. After further analysis of the data and taking into account that the study showed safety and tolerability as well as favourable effects on inflammatory biomarkers, the decision was made to continue development.

On 20 May 2024, the Company entered into a conditional agreement with the shareholders of Flerie Invest to carry out a reverse merger of the Company. The Transaction was carried out by way of a directed share issue of 6,073,952,948 ordinary shares in the Company, resolved upon by the extraordinary general meeting of the Company on 10 June 2024, against consideration in kind, whereby the shareholders of Flerie Invest subscribed for the new newly issued shares in the Company in exchange for all existing shares in Flerie Invest. The purchase price for the shares in Flerie Invest amounted to MSEK 3,073 and the subscription price for the consideration shares in the Company was set to SEK 0.506 per share. The Transaction was closed on 10 June 2024. Following the Transaction, Flerie Invest is a wholly-owned subsidiary of the Company and the former major shareholders of Flerie Invest are major shareholders in the Company.

At the extraordinary general meeting held on 10 June 2024, the Company resolved to implement a share redemption scheme. The scheme allows for an annual redemption of up to five (5) per cent of the share capital. The scheme allows for an annual redemption of up to five (5) per cent of the share capital. The Company shall thereafter be obliged, provided that no circumstances that may give rise to an exemption under the articles of association apply, to redeem all outstanding shares of series C against payment of a redemption amount corresponding to the net asset value per share as of 31 March of the current year. Under certain conditions, shares of series C may also be converted into ordinary shares. The Principal Shareholders and the investors in the Capital Raise have undertaken not to exercise the redemption scheme before 2029 and 2026, respectively. For more information, see the sections "*Share capital and ownership structure – Share redemption scheme" and "Articles of association*".

On 13 June 2024, the board of directors of the Company, with the support of the authorisation granted by the extraordinary general meeting on 10 June 2024, resolved to carry out a directed share issue of 1,200,000,000 ordinary shares at a subscription price of SEK 0.506 per share to a number of Swedish and international institutional investors, raising proceeds of approximately MSEK 607.2 before transaction costs. Flerie intends to use the net proceeds from the Capital Raise to fulfil its capital commitments, make add-on investments in current portfolio companies to accelerate their development and to improve the liquidity.

Except from the above, there have been no significant changes to the Group's financial position, earnings or position in the market after 31 March 2024.

Share capital and ownership structure

GENERAL INFORMATION

The Company's shares are issued in accordance with Swedish law and the rights of the shares may only be modified or altered through a change of the articles of association in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). The Company's shares are denominated in Swedish kronor (SEK) and have been issued in accordance with the Swedish Companies Act. All shares are fully paid and the ISIN-code for the share is SE0008966295. The Company's articles of association contain provisions pursuant to which the Company´s share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000 and that the number of shares shall be not less than 5,000,000,000 shares and not more than 20,000,000,000 shares. As of 31 March 2024, the Company's registered share capital amounted to SEK 10,653,753 divided into 532,687,650 shares, giving each share a quotient (par) value of SEK 0.02. As of the date of the Prospectus, the Company's registered share capital amounted to SEK 156,132,811.96 divided into 7,806,640,598 ordinary shares, giving each share a quotient (par) value of SEK 0.02. Following the Reverse Share Split, the number of shares in the Company will be reduced by combining one hundred (100) shares into one (1) share. The record date for the Reverse Share Split will be determined after the Admission. If a shareholder's holding of shares does not correspond to a full number of new shares, i.e. is not evenly divisible by one hundred (100), this shareholder will, free of charge, receive such number of shares from the Principal Shareholders that his/her holding, after addition of the provided shares, is evenly divisible by one hundred (100), so-called rounding up.

At the extraordinary general meeting held on 10 June 2024, the Company resolved to introduce a new class of shares in the articles of association, shares of series C, to enable a voluntary share redemption scheme for the Company's shareholders. Already existing shares constitute ordinary shares. Under the redemption scheme, shareholders will have the right to request conversion of their ordinary shares into shares of series C during an annual period of one week, up to a number corresponding to a maximum of five (5) per cent of the total share capital. The board of directors shall thereafter, with certain exceptions, be obliged to redeem all outstanding shares of series C. For more information on the redemption scheme, see the section "*Share capital and ownership structure – Share redemption scheme*" below. No shares of series C have been issued as of the date of the Prospectus. Subject to what is stated under the section "*Share capital and ownership structure – Share redemption scheme*" below, the shares are not subject to any redemption right, redemption obligation or conversion clause.

The shares are issued in dematerialised form through the services of Euroclear Sweden AB (P.O. Box 191, SE-101 23 Stockholm, Sweden). Euroclear is the central securities depository and clearing organisation for the shares in accordance with the Swedish Central Securities Depositaries and Financial Instruments Accounts Act (Sw. *lag (1998:1479)* om värdepapperscentraler och kontoföring av finansiella instrument). Hence, no share certificates are issued and any transfers of shares are made electronically.

As of the date of the Prospectus, neither the Company nor Flerie Invest has any outstanding convertibles or exchangeable securities or other financial instruments which could result in a dilution for existing shareholders if exercised, except for what is stated in the section "*Share capital and ownership structure – Share related incentive programs*". Neither the Company nor any of its subsidiaries own shares in the Company and no other party owns shares in the Company on their behalf.

RIGHTS ASSOCIATED WITH THE SHARES

General meetings

In order to be entitled to participate in general meetings, a shareholder must be entered in the Company's share register no later than six banking days prior to the general meeting, and notify the Company of its intention to attend the general meeting no later than the date that follows from the notice to attend the meeting. All shareholders who are registered directly in the Company's share register, kept by Euroclear on the record date and who notify the Company of their intention to attend the general meeting no later than the day set out in the notice to the meeting, shall be entitled to attend and vote at the general meeting. Changes to the articles of association are made by a resolution of the general meeting, in accordance with the Swedish Companies Act which lays down certain qualified majority requirements for such decisions to be valid.

Voting rights and transferability of shares
The shareholders' influence in the Company is exercised at the general meeting, which, in accordance with the Swedish Companies Act, is the Company's highest decision-making body. Shareholders are entitled to vote for the full number of shares and each share entitles to one vote at the general meeting.

Apart from lock-up arrangements (see the section "*Legal considerations and supplementary information – Lock-up undertakings*"), all shares are freely transferable and the shares are not subject to any transfer restrictions.

Preferential rights when issuing new securities
If the Company decides to issue new shares of all share classes issued, through either a cash issue or a set-off issue, shareholders generally have preferential rights to subscribe for shares of the same class in relation to the number of shares previously owned. If the Company decides to issue shares of only one class, through either a cash issue or set-off issue, each shareholder, without regard to different classes of shares, shall have a preferential right to subscribe for new shares in relation to the number of shares previously owned by them. If the Company decides to issue subscription options or convertibles, through either a cash issue or set-off issue, each shareholder shall have a preferential right to subscribe for the subscription options as if the issue was for the shares that may be subscribed for through the subscription options, and respectively, each shareholder shall have a preferential right to subscribe for the convertibles as if the issue was for the shares that the convertibles may be converted into. However, the general meeting, or the board of directors with support of an authorisation granted by the general meeting, may decide to deviate from the shareholders' preferential rights in accordance with the Swedish Companies Act.

Dividends, share in the company's profits and proceeds in liquidation
All ordinary shares in the Company give equal rights to dividends, share in the Company's profits and in the Company's assets as well as any surplus in the event of liquidation. Shares of series C do not entitle to dividends. In the event of the dissolution of the Company, shares of series C carry an equal right to Company's assets as ordinary shares, however not to an amount per share exceeding the Redemption Amount with the addition of any Accrued Interest (as defined in the section "*Articles of Association*" below).

The shares carry the right to dividend for the first time as of the record date for dividends that falls after the shares have been registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and entered in the share register kept by Euroclear. According to the Swedish Companies Act, dividends may only be paid to the amount that there still is unrestricted equity (Sw. *fritt eget kapital*) available, i.e. there must be full coverage for the Company's restricted equity (Sw. *bundet eget kapital*) after the distribution of dividends. It is the Company's latest adopted balance sheet that sets out the amount available for payment of dividends. Further, dividends may only be paid if prudent, taking into consideration the demands of the Company's equity which are imposed by the nature, scope and risks associated with the business as well as the Company's need to strengthen its balance sheet, liquidity and financial position in general.

Normally, dividends are paid in cash but may also be paid in kind. The shareholders are entitled to a pro rata share of the dividends in relation to their holding of ordinary shares. The distribution of the dividends is managed by Euroclear. Should a shareholder not be able to receive distribution from Euroclear, the shareholder will have a claim for payment of the same amount against the Company. Such claim is under provision of statutory limitation of ten years after which the dividend amount is forfeited to the Company.

There are no restrictions regarding dividend rights of shareholders domiciled outside Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders in Sweden. For information regarding the Company's dividend policy and more information regarding tax on dividends, see the sections "*Share capital and ownership structure – Dividend policy*" and "*Legal considerations and supplementary information – Certain tax considerations in Sweden*".

Takeover bids and redemption of minority shares
The Act (2006:451) on public takeover bids on the stock market (Sw. *lagen (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden)* ("**LUA**") applies to public takeover bids for Flerie's shares after the shares have been admitted to trading on Nasdaq Stockholm. According to LUA, anyone making a public takeover bid must undertake to comply with the Takeover Rules for Nasdaq Stockholm (the "**Takeover Rules**"). Through the undertaking, anyone making a public takeover bid undertakes to comply with both the Takeover Rules and the Swedish Securities Council's decisions and statements on the interpretation and application of the Takeover Rules and on good practice in the stock market. According to LUA, neither the CEO nor the board of directors of a target company is allowed to take measures that are aimed to impair the preconditions for making or completing a public takeover offer, without authorisation from the general meeting.

Following a public takeover bid, the tenderer who subsequently holds at least nine tenths of the shares in the Company is, regardless of the number of votes per

share, entitled to redeem the remaining shareholders' shares, in accordance with the general provisions on compulsory redemption in chapter 22 of the Swedish Companies Act. The procedure for redemption of the minority shareholders' shares is further regulated in the Swedish Companies Act. The Company's shares are not subject to any public takeover offer, redemption rights or redemption obligation. The Company's shares have never been subject to any public takeover offer.

Share redemption scheme

At the extraordinary general meeting held on 10 June 2024, the Company resolved to implement a share redemption scheme.

Under the redemption scheme, shareholders have the right, during the period between 24 March and 31 March each year, to request conversion of their ordinary shares into shares of series C. Conversion may take place of a maximum number of ordinary shares that will result in the number of issued shares of series C, following executed conversion, amounting to a maximum of five (5) per cent of the entire share capital. If the total redemption amount exceeds five (5) per cent, the redemption amount will be distributed among the shareholders on a pro rata basis. The Company shall thereafter be obliged, provided that no circumstances that may give rise to an exemption under the articles of association apply, to redeem all outstanding shares of series C against payment of a redemption amount equal to the net asset value per share as of 31 March of the current year[1]. To the extent that such redemption does not take place, or no ordinary record date has been determined in accordance with the provisions of the articles of association, holders of shares of series C have the right to request that all or part of the holding of shares of series C be converted into ordinary shares. Changes to the redemption scheme are subject to an increased majority requirement. For more information and the articles of association in full, see the section "*Articles of association*".

The principal shareholders and investors in the capital raise have undertaken not to use the redemption scheme before 2029 and 2026, respectively.

SHARE CAPITAL DEVELOPMENT

The below tables show the historical development in the Company's and Flerie Invest's respective share capital during the financial years 2021, 2022, 2023 and 2024, until the date of the Prospectus.

FLERIE AB

Year	Transaction	Increase of the share capital	Increase of the total number of shares	Total share capital	Total number of shares	Quota value (SEK)	Subscription price (SEK)
2021	Rights issue	8,878,127.5	443,906,375	10,653,753	532,687,650	0.02	1.2
2024	Issue in kind (the Transaction)	121,479,058.96	6,073,952,948	132,132,811.96	6,606,640,598	0.02	0.506
2024	Directed share issue (the Capital Raise)[2]	24,000,000.00	1,200,000,000	156,132,811.96	7,806,640,598	0.02	0.506

Flerie Invest

Year	Transaction	Increase of the share capital	Increase of the total number of shares	Total share capital	Total number of shares	Quota value (SEK)	Subscription price (SEK)
2023	Set-off issue	112,000	112,000	162,000	162,000	1.00	12,500
2023	Share split 500:1	–	80,838,000	–	81,000,000	0.002	–
2023	Set-off issue	63,157.894	31,578,947	225,157.894	112,578,947	0.002	28.5
2023	Bonus issue	37,736.841	0	562,894.735	112,578,947	0.005	–

1) Notwithstanding the above, the redemption amount during 2025 shall be equal to the net asset value per share as reported on 30 June 2025.
2) For more information, see the section "*Capital structure, indebtedness and other financial information – Significant events following 31 March 2024*".

OWNERSHIP STRUCTURE

The table below sets forth a summary of the Company's ownership structure as per 31 March 2024 including subsequently known changes. There are no differences in the voting rights between the Company's larger shareholders. Instead, each share entitles to one vote at the general meeting.

As of the date of the Prospectus, as far as the Company is aware, there is no direct or indirect ownership that leads to control of the Company other than as set forth in the table below. The Principal Shareholders together hold a majority of the shares and votes in the Company, which means that they have a significant influence over the Company and most of the matters that are subject to resolutions at general meetings. The board of directors is furthermore not aware of any shareholders' agreement or other arrangement which may result in a change of control over the Company at a later stage, or which constitutes that such change of control can be prohibited. The Company has not taken any specific measures in order to guarantee that the larger shareholders' control is not misused. However, the rules for protection of minority shareholders in the Swedish Companies Act constitute a protection against a majority shareholder's eventual misuse of its control over a company.

Shareholder	Total number of shares	Percentage
T&M Förvaltning AB[1)]	3,021,358,557	38.70%
T&M Förvaltning AB[2)]	2,867,644,083	36.73%
Fjärde AP-fonden	546,385,220	7.00%
Other shareholders	1,371,252,738	17.57%
In total	**7,806,640,598**	**100%**

1) The chairman of the Company's board of directors Thomas Eldered holds 100 per cent of the shares and votes in T&M Förvaltning AB (previously Flerie Förvaltning AB).
2) The chairman of the Company's board of directors Thomas Eldered holds 51 per cent of the shares and votes in T&M Participation AB (previously Flerie Participation AB). T&M Förvaltning AB holds the remaining 49 per cent of the shares and votes in T&M Participation AB.

The shareholdings in the table above include own, spouse's/partner's, siblings or relatives in the direct ascending or descending line as well as legal entities in which the person has a controlling interest.

NET ASSET VALUE

The net asset value per share in Flerie Invest amounted to approximately SEK 30.35 per share as of 31 March 2024.

APPLICATION FOR LISTING ON NASDAQ STOCKHOLM

As of the date of the Prospectus, the Company's ordinary shares are listed on Nasdaq First North Growth Market. The Company has applied for admission to trading of the Company's ordinary shares on Nasdaq Stockholm. Nasdaq Stockholm's listing committee has, as of 26 June 2024, assessed that the Company meets Nasdaq Stockholm's listing requirements, provided that customary conditions, including the distribution requirement for the Company's shares are fulfilled no later than on the first day of trading on Nasdaq Stockholm. The first day of trading is expected to be on 27 June 2024.

SHAREHOLDERS' AGREEMENT

To the best of the Company's knowledge, there is no agreement between the shareholders aimed at changing control of the Company.

DIVIDEND POLICY AND DIVIDEND

The Company's cash flow is primarily intended to be reinvested in the business in order to finance future growth and the Company therefore does not intend to pay any annual dividend.

Dividends in the Company

No dividends have been paid to the shareholders of the Company for the financial year 2023.

Dividends in Flerie Invest

On 5 October 2021, the extraordinary general meeting in Flerie Invest resolved upon an extra share dividend of SEK 28,000 per share, for the then outstanding 50,000 shares, which amounted to MSEK 1,400 in total. The parent company of Flerie Invest at the time, Flerie Creations Ltd[1)], owned all the shares in Flerie Invest and was therefore entitled to the dividend in whole. The dividend was however not paid out to Flerie Creations Ltd. Instead, Flerie Invest and Flerie Creations Ltd entered into a promissory note on the same date pursuant to which Flerie Creations Ltd lent Flerie Invest MSEK 1,400. The promissory note was subsequently transferred to T&M Förvaltning AB in 2022. On 21 March 2023, the extraordinary general meeting in Flerie Invest resolved that the entire loan amount be converted into shares in the Flerie Invest through a set-off issue directed to T&M Förvaltning AB.

Other than the above, no dividends have been paid to shareholders of Flerie Invest for the financial years 2023, 2022 or 2021.

1) Flerie Creations Ltd was the parent company of the Company until 7 October 2021 when an intra-group restructuring was effected, and T&M Participation AB became the parent company.

SHARE RELATED INCENTIVE PROGRAMS

The annual general meeting of InDex has, on several occasions, resolved to implement share-based remuneration through employee stock option programs. In connection with the discontinuation of the business conducted by InDex, as described in the section "*Background and reasons*", all employees in InDex prior to the Transaction have been terminated. However, the right to subscribe for shares under the employee stock option programs is not dependent on the option holder remaining an employee of the Group. As of the date of the Prospectus, three such programs are outstanding, as outlined below. The employee stock options have been granted free of charge and vest at 1/3 per year, conditional on continued engagement/employment in the group. As all participants in the programs have been terminated, no more employee stock options, other than those already vested, can be vested.

To ensure delivery of shares under the programs and to cover any cash flow effects resulting from social security contributions related to allocated employee stock options, warrants have been issued in connection with the establishment of the incentive programs. As not all employee stock options under each program have been granted and/or will be able to be vested, the number of outstanding warrants exceeds the number of warrants that may be used to subscribe for shares under each program. In the table and the description of each incentive program below, the number of warrants that may be used for subscription of shares is therefore stated in brackets. Following the Reverse Share Split, the exercise price and the number of shares that may be subscribed for on the basis of vested employee stock options and outstanding warrants will be recalculated, in accordance with the terms of each program.

Incentive program	Exercise period	Number of outstanding and vested employee stock options as of the date of the Prospectus	Number of outstanding warrants as of the date of the Prospectus	Exercise price, SEK	Maximum number of new shares[1)]
2021 incentive program (LTIP 2021)	1 July – 31 December 2024	3,292,534	4,623,181 (4,327,048)	4	4,327,048
2022 incentive program (LTIP 2022)	1 July – 31 December 2025	3,988,400	7,862,333 (5,241,555)	4	5,241,555
2023 incentive program (LTIP 2023)	1 July – 31 December 2026	2,106,867	10,513,600 (2,768,844)	4	2,768,844
Total		**9,387,801¶**	**22,999,114 (12,337,447)**		**12,337,447**

1) Maximum number of new shares includes shares that can be subscribed by exercising outstanding warrants to cover any cash flow effects resulting from social security contributions related to granted employee stock options but excludes outstanding warrants that will not be exercisable to subscribe for shares (due to the fact that not all warrants have been granted and/or will vest).

The total number of outstanding and vested options in the Company as of the date of the Prospectus amounts to 9,387,801 and the number of outstanding warrants that can be used for subscription of shares amounts to 12,337,447. Full exercise of the above-mentioned options entitles the holder to subscribe for 12,337,447 ordinary shares in the Company, corresponding to approximately 0.16 per cent of the share capital and votes in the Company and a dilution of approximately 0.16 per cent.

Incentive program 2021/2024 (LTIP 2021)

The annual general meeting held on 3 June 2021 resolved to issue 7,200,000 employee stock options intended to be transferred to employees and other key persons of the group. All employee stock options can be exercised during the period 1 July – 31 December 2024. To ensure the delivery of shares to participants in the employee stock option program, it was also resolved to issue a maximum of 9,462,240 warrants to InDex or a wholly owned subsidiary, of which a maximum of 2,262,240 warrants were issued to cover any cash flow effects due to social security contributions related to allocated employee options, and a maximum of 7,200,000 warrants may be transferred to participants in the program to ensure InDex's commitments in connection with LTIP 2021. All warrants were issued to InDex and can be exercised for subscription of shares during the period between 22 June 2021 and 31 March 2025. In total, 6,407,800 employee stock options have been allocated within the program.

As of the date of the Prospectus, the number of outstanding and vested employee stock options amounts to 3,292,534 and the number of outstanding warrants held by the Company amounts to 4,623,181 (4,327,048).

Each employee stock option entitles the holder to subscribe for one (1) share at an exercise price of SEK 4 per share. If all outstanding employee stock options and warrants in LTIP 2021 (excluding the warrants that will not be exercisable for subscription of shares as set out above) are exercised for subscription, 4,327,048 shares will be issued, corresponding to a dilution of approximately 0.06 per cent based on the number of shares and votes in the Company as of the date of the Prospectus, and after exercise of all allocated employee stock options.

Incentive program 2022/2025 (LTIP 2022)
The annual general meeting held on 1 June 2022 resolved to issue 8,000,000 employee stock options intended to be transferred to employees and other key persons in the group. All employee stock options can be exercised during the period 1 July – 31 December 2025. To ensure the delivery of shares to participants in the employee stock option program, it was also resolved to issue a maximum of 10,513,600 warrants to InDex or a wholly owned subsidiary, of which a maximum of 2,513,600 warrants to cover any cash flow effects due to social security contributions related to allocated employee options and a maximum of 8,000,000 warrants may be transferred to participants in the program to ensure InDex's commitments in connection with LTIP 2022. All warrants were issued to InDex and can be exercised for subscription of shares during the period between 8 June 2022 and 31 March 2026. In total, 7,430,900 employee stock options have been allocated within the program.

As of the date of the Prospectus, the number of outstanding and vested employee stock options amounts to 3,988,400 and the number of outstanding warrants held by the Company amounts to 7,862,333 (5,241,555).

Each employee stock option entitles the holder to subscribe for one (1) share at an exercise price of SEK 4 per share. If all outstanding employee stock options and warrants in LTIP 2022 (excluding the warrants that will not be exercisable for subscription of shares as set out above) are exercised for subscription, 5,241,555 shares will be issued, corresponding to a dilution of approximately 0.07 per cent based on the number of shares and votes in the Company as of the date of the Prospectus, and after exercise of all allocated employee stock options.

Incentive program 2023/2026 (LTIP 2023)
The annual general meeting held on 24 May 2023 resolved to issue 8,000,000 employee stock options intended to be transferred to employees and other key persons in the group. All employee stock options can be exercised during the period 1 July – 31 December 2026. To ensure the delivery of shares to participants in the employee stock option program, it was also resolved to issue a maximum of 10,513,600 warrants to InDex or a wholly owned subsidiary, of which a maximum of 2,513,600 to cover any cash flow effects due to social security contributions related to allocated employee options and a maximum of 8,000,000 may be transferred to participants in the program to ensure InDex's commitments in connection with LTIP 2023. All warrants were issued to InDex and can be exercised for subscription of shares during the period between 2 June 2023 and 31 March 2027. In total, 6,658,600 employee stock options have been allocated within the program.

As of the date of the Prospectus, the number of outstanding and vested employee stock options amounts to 2,106,867, and the number of outstanding warrants held by the Company amounts to 10,513,600 (2,768,844).

Each employee stock option entitles the holder to subscribe for one (1) share at an exercise price of SEK 4 per share. If all outstanding employee stock options and warrants in LTIP 2023 (excluding the warrants that will not be exercisable for subscription of shares as set out above) are exercised for subscription, 2,768,844 shares will be issued, corresponding to a dilution of approximately 0.04 per cent based on the number of shares and votes in the Company as of the date of the Prospectus, and after exercise of all allocated employee stock options.

AUTHORISATION

At the extraordinary general meeting held on 10 June 2024, it was resolved to authorise the board of directors, on one or more occasions before the next annual general meeting, with or without deviation from the shareholders' preferential rights, to resolve on new issues of ordinary shares corresponding in total to a maximum of fifty (50) per cent of the total number of shares in the Company at the time when the board of directors exercises the authorisation for the first time. New share issues decided on the basis of the authorisation shall be executed on market terms and be paid in cash.

The purpose of the authorisation, and the reasons for deviating from the shareholders' preferential rights, is to be able to carry out new share issues, including the Capital Raise, in order to ensure that the Company meets the liquidity requirements for Admission without having to carry out a public offering, to ensure continued financing for Flerie in the immediate aftermath of the completion of the Transaction, and to diversify and strengthen the shareholder base with institutional investors.

Board of directors, senior management and auditors

This section contains selected information regarding the board of directors, senior management and auditors. As far as the board of directors is aware, there have been no arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which a board member, member of the senior management or auditor have been appointed or elected, other than described in this section.

BOARD OF DIRECTORS

The board of directors has its registered office in Stockholm, Sweden. According to the Company's articles of association, the board of directors shall consist of at least three and not more than eight regular board members. The board of directors currently consist of four regular board members elected for the period until the end of the annual general meeting 2025. The table below sets forth the board members, their position, the years they were appointed and their independence in relation to the Company, senior management and major shareholders. The years included in brackets, in the table as well as the detailed description of each board member below, show the year each person was appointed to the board of directors of Flerie Invest. Major shareholders are defined in accordance with the Swedish Corporate Governance Code as shareholders who directly or indirectly control ten per cent or more of the shares or votes in the Company.

			Independent in relation to	
Name	**Position**	**Member since**	**The Company and senior management**	**Major shareholders**
Thomas Eldered	Executive chairman	2024 (2011)	No[1)]	No[2)]
Cecilia Edström	Board member	2024 (2023)	Yes	Yes
Anders Ekblom	Board member	2024 (2023)	Yes	Yes
Jenni Nordborg	Board member	2024 (2023)	Yes	Yes

1) Thomas Eldered provides consultancy services to the Company through T&M Participation AB.
2) Thomas Eldered indirectly owns 75.44 per cent of the shares in the Company through T&M Participation AB and T&M Förvaltning AB.

Below is further information on the board members' age, position, education, other relevant experience, current assignments, previous assignments completed within the past five years, other relevant experience, independence and ownership of shares and share related instruments in the Company. Assignments in portfolio companies have been excluded when nominated or assigned by Flerie.

THOMAS ELDERED

Born 1960. Member of the board since 2024 (2011) and executive chairman of the board since 2024 (2023). Member of the audit committee.

Education: M. Sc in Industrial Engineering and Management from Linköping University.

Other relevant experience: Founder of Recipharm AB. Various positions in Pharmacia.

Other ongoing assignments: Board member of T&M Förvaltning AB, T&M Participation AB, Flerie International AB, Åre Mörviken 8:2 AB, Cordivest AB and Pingvinen penningplacering AB.

Previous assignments completed within the past five years: Board member and CEO of Recipharm AB (including various assignments in its subsidiaries), board member of Roar BidCo AB, Flerie Participation AB[1] (dissolved by merger on 18 December 2020), and Cobra Biologics AB.

Holdings in the Company: 5,889,002,640 shares through company.

Not independent in relation to the Company and its senior management or in relation to major shareholders.

CECILIA EDSTRÖM

Born 1966. Member of the board since 2024 (2023). Chairman of the audit committee and member of the remuneration committee.

Education: BSc in Finance and Economics from Stockholm School of Economics and executive development and mentoring program from Ruter Dam.

Other relevant experience: Corporate Finance at SEB, SVP Corporate Relations at Scania, Head of Group Communications at Telia Sonera, and CEO of Bactiguard AB.

Other ongoing assignments: Chairman and CEO of ceed konsult AB, board member and acting CFO of A3P Biomedical AB, board member of Neonode Inc and board member and member of the audit committee of BioArctic AB.

Previous assignments completed within the past five years: Board member and CEO of Bactiguard Holding AB, deputy CEO and CFO of Bactiguard Holding AB, chairman of the board and CEO of Bactiguard AB, deputy CEO and CFO of Bactiguard AB, board member of Bactiguard International AB and Nordic Public Affairs.

Holdings in the Company: 2,697,642 shares and 23,310,000 call options in the Company[2].

Independent both in relation to the Company and its senior management as well as in relation to major shareholders.

1) Not to be confused with T&M Participation AB, which previously had the registered company name Flerie Participation AB.
2) The call options are issued by T&M Participation AB. For more information, see the section "*Board of Directors, senior management and auditors – Call options issued by T&M Participation AB*".

ANDERS EKBLOM

Born 1954. Member of the board since 2024 (2023). Chairman of the remuneration committee and member of the audit committee.

Education: Medical Degree, Master of Science in Dental Surgery, PhD in Physiology, and Associate Professor at Karolinska Institutet.

Other relevant experience: Two decades at Astra Zeneca as EVP Global Medicines Development, Global Head Clinical Development, and CEO AstraZeneca AB Sweden.

Other ongoing assignments: Chairman of the board of Atrogi AB, Elypta AB, Alligator Bioscience AB, Xspray Pharma and Bostadsrättsföreningen Sportpalatset, board member of AnaMar AB, Nxt Science, Mereo BioPharma Group Plc and Synerkine Pharma.

Previous assignments completed within the past five years: Deputy chairman of the board of Leo Pharma A/S, non-executive board director at the Swedish Research Council.

Holdings in the Company: 2,697,642 shares and 23,310,000 call options in the Company[1].

Independent both in relation to the Company and its senior management as well as in relation to major shareholders.

JENNI NORDBORG

Born 1970. Member of the board since 2024 (2023). Member of the remuneration committee and member of the audit committee.

Education: MSc in Chemical Engineering and PhD in Chemistry from Chalmers University of Technology. Executive Leadership Programme from Stockholm School of Economics.

Other relevant experience: Previous National Coordinator for Life Sciences at the Swedish Government Office. Director and head of the health division at Vinnova (Sweden's innovation agency).

Other ongoing assignments: Director of International Affairs at LIF, the Swedish Pharmaceuticals Trade Association, board member of IHE, the Swedish Institute for Health Economics, Utrikeshandelsföreningen, Swecare, and the Association of the European Self-Care Industry.

Previous assignments completed within the past five years: –

Holdings in the Company: 2,589,736 shares and 23,030,000 call options in the Company[2].

Independent both in relation to the Company and its senior management as well as in relation to major shareholders.

1) The call options are issued by T&M Participation AB. For more information, see the section "*Board of Directors, senior management and auditors – Call options issued by T&M Participation AB*".
2) The call options are issued by T&M Participation AB. For more information, see the section "*Board of Directors, senior management and auditors – Call options issued by T&M Participation AB*".

SENIOR MANAGEMENT

The Company's senior management consists of three persons. The table below sets forth the members of the senior management, their position and the year they were first employed by the Company. The years included in brackets, in the table as well as the detailed description of each person below, show the year each person was employed by Flerie Invest.

Name	Position	Employed since
Ted Fjällman	CEO	2024 (2019)
Cecilia Schéele	CFO and Deputy CEO	2024 (2021)
Mark Quick	Partner	2024 (2022)

Below is information on the senior management's age, position, education, other relevant experience, current assignments, previous assignments completed within the past five years and ownership of shares and share related instruments in the Company. Assignments in portfolio companies have been excluded when nominated or assigned by Flerie.

TED FJÄLLMAN

Born 1978. CEO since 2024 (2023).

Education: PhD in Biotechnology and Immunology from The University of Guelph, Master of Space Studies from the International Space University, MSc in Molecular Biology from Gothenburg University, and BSc in Biology and Physics from The University of Waikato.

Other relevant experience: More than 25 years of experience from various R&D roles, CEO of Prokarium Ltd.

Other ongoing assignments: Director of Roseberry AG, Tekiu Ltd and St Andrews Folkestone Ltd.

Previous assignments completed within the past five years: –

Holdings in the Company: 94,985,934 shares (of which 3,826,859 through company).

CECILIA SCHÉELE

Born 1972. CFO since 2024 (2021). Deputy CEO since 2024 (2023).

Education: MSc International Business Administration from Lund University.

Other relevant experience: More than 20 years of experience in finance from various positions at Recipharm, KPMG, and working with the IPO of Viva Wine Group.

Other ongoing assignments: Board member of Stockholm Cairn and deputy board member of Binno AB.

Previous assignments completed within the past five years: Board member of Binno AB, deputy board member of RPH Iberia AB and Recipharm Strängnäs Fastighets AB.

Holdings in the Company: 4,046,462 shares.

MARK QUICK

Born 1966. Partner since 2024 (2022).

Education: BSc Hons Industrial Studies from Nottingham Trent university, MBA from The Open University Business School.

Other relevant experience: More than 35 years of experience in business development and mergers and acquisitions from various positions at Recipharm, Celltech and Medeva.

Other ongoing assignments: -

Previous assignments completed within the past five years: Board member of various Recipharm AB subsidiaries.

Holdings in the Company: 40,654,121 shares.

AUDITORS

Flerie AB

According to Flerie's articles of association, the Company shall have one to two auditors and not more than two deputy auditors or a registered accounting firm. At the extraordinary general meeting held on 10 June 2024, it was resolved to elect Ernst & Young AB as auditor for the period until the end of the next annual general meeting. Authorised public accountant Jennifer Rock-Baley, member of FAR (professional institute for authorised public accountants, approved public accountants, and other advisers in Sweden) is auditor-in-charge. Ernst & Young AB's address is P.O. Box 7850, SE-103 99 Stockholm, Sweden.

PricewaterhouseCoopers AB was the Company's auditor until the end of the extraordinary general meeting held on 10 June 2024, with Magnus Lagerberg, authorised public accountant and member of FAR, as the auditor-in-charge. PricewaterhouseCoopers AB's address is Torsgatan 21, 113 97 Stockholm, Sweden. PricewaterhouseCoopers AB audited the Company's financial statements for the financial years 2021, 2022 and 2023.

Flerie Invest

Ernst & Young AB has been Flerie Invest's auditor since 8 September 2022. Authorised public accountant Jennifer Rock-Baley, member of FAR (professional institute for authorised public accountants, approved public accountants, and other advisers in Sweden) is auditor-in-charge. Ernst & Young AB audited Flerie Invest's financial statements for the 2022 and 2023 financial years.

RSM Stockholm AB was Flerie Invest AB's auditor until the end of the extraordinary general meeting held on 8 September 2022, with Robert Hasslund, authorised public accountant and member of FAR, as the auditor-in-charge. RSM Stockholm AB's address is Birger Jarlsgatan 57B, SE-113 56 Stockholm, Sweden. RSM Stockholm AB has audited Flerie Invest's financial statement for the 2021 financial year.

OTHER INFORMATION REGARDING THE BOARD MEMBERS AND SENIOR MANAGEMENT

There are no family relations between any members of the board of directors or senior management of the Company. None of the board members or members of the senior management has in the past five years (i) been convicted in relation to any fraudulent offences, (ii) been the subject of official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or (iii) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any issuer. One bankruptcy has occurred among the companies Ted Fjällman has been active in during the last five years. The bankruptcy of XNK Therapeutics was initiated on 9 April 2024 and Ted Fjällman's assignment as board member of the company ended on 27 March 2024. Thomas Eldered and Mark Quick are board members of the portfolio company Bohus Biotech AB, where a company restructuring was initiated on 13 June 2022. The company reconstruction was completed on 13 April 2023 and Bohus Biotech has now regained its medical device certificate. Other than the above, none of the board members or members of the senior management has been involved in any bankruptcy, receivership or mandatory liquidation in which he or she acted in the capacity as a member of the administrative, management or supervisory bodies or as any senior manager in the past five years. As set out above in this section, some board members and members of the senior management have private interests in the Company through holdings of shares. Board members and members of the senior management of the Company may serve as board members or officers of other companies or have ownership interests in other companies and, to the extent that such other companies enter into business relationships with the Company, members of the board of directors or senior management of the Company may have a conflict of interest in which case the relevant person is not involved in the handling of the matter on behalf of the Company. Other than aforementioned, none of the board members or members of the senior management has any private interests which may conflict with the interests of the Company.

The Company's subsidiary, Flerie Invest Ltd, has entered into an employment agreement with Mark Quick under which Mark Quick is entitled to receive six months' basic monthly salary on termination of employment. Other than the employment agreement with Mark Quick, the Company has not entered into any agreement with any member of the administrative, management or supervisory bodies pursuant to which any such member is granted any pension or other similar benefits upon termination of employment or assignment. The Company has not set aside or accrued amounts to provide pension, retirement or similar benefits upon termination of employment or assignment.

All members of the board of directors and senior management are available through the Company's office postal address Skeppsbron 16, SE-111 30 Stockholm, Sweden.

REMUNERATION FOR BOARD MEMBERS, SENIOR MANAGEMENT AND AUDITORS

Remuneration for the board of directors is resolved by the general meeting. At the extraordinary general meeting held in the Company on 10 June 2024 it was resolved that fees to the board of directors until the 2025 annual general meeting shall amount to a total of SEK 1,100,000, of which SEK 350,000 shall be paid to the chairman and SEK 250,000 to the other board members. It was further resolved that a fee of SEK 50,000 shall be paid to the chairman of the audit committee and SEK 20,000 shall be paid to the chairman of the remuneration committee.

The table below sets forth the remuneration for board members in Flerie Invest for the financial year 2023, including any contingent or deferred compensation, as well as benefits in kind granted for services in all capacities performed by Flerie Invest.

Remuneration for the board of directors of Flerie Invest 2023

MSEK

Namn	Fixed salary/ Board remuneration	Variable remuneration	Other benefits	Total
Thomas Eldered	0.4	–	–	0.4
Cecilia Edström	0.4	–	–	0.4
Anders Ekblom	0.3	–	–	0.3
Jenni Nordborg	0.3	–	–	0.3
Total amount	**1.4**	**–**	**–**	**1.4**

Remuneration for the senior management may consist of fixed salary, variable remuneration, pension and other benefits.

Remuneration for the senior management of Flerie Invest 2023

MSEK

Name	Salary	Variable remuneration	Other benefits[1)]	Pension costs[2)]	Total
Ted Fjällman	5.2[3)]	–	–	–	5.2
Other senior executives (2)	4.7	–	0.2	1.1	6.0
Total amount	**9.9**	**–**	**0.2**	**1.1**	**11.2**

1) Other benefits refer to a company car, the estimated value of which amounts to MSEK 0.2.
2) Defined contribution pensions.
3) Consultancy fee to cover salary and pension.

Guidelines for remuneration to senior management

At the extraordinary general meeting held on 10 June 2024 it was resolved to adopt guidelines for remuneration and other employment conditions for the senior management, as follows.

In order to promote the Company's business strategy, long-term interests and sustainability and thus create a good long-term value growth for the shareholders, the Company shall offer market-adapted and competitive remuneration, but not be salary leading in relation to comparable companies.

The fixed salary shall be based on the importance of the work tasks, requirements for competence, experience and performance. Variable salary or performance-based remuneration for a senior executive may amount to a maximum of MSEK 3 per individual and calendar year. The variable cash remuneration shall be dependent on the value development of the Company's investment portfolio and be linked to predetermined and measurable financial criteria. If the value development of the Company's portfolio during the year is negative, no variable remuneration shall be paid.

Pension provisions can be made for the CEO and senior executives. The retirement age for the CEO and other members of the executive management shall be 65 years. Pension commitments shall be premium-based and mean that the Company has no further commitments after payment of annual premiums. Other benefits shall be market-based and contribute to facilitating the senior executive's ability to fulfil his/her duties.

The CEO is subject to a mutual period of notice of six months. Upon termination by the Company, the CEO is also entitled to severance pay amounting to six months' salary. For other senior executives, market-based and customary termination conditions shall be sought and severance pay shall not be paid. In the event of termination by the Company, the notice period shall be a maximum of twelve months and in the event of termination by the employee, six months.

The board of directors has established a remuneration committee with the main task of preparing the board of directors' decisions on remuneration principles, remuneration and other terms of employment for

the CEO and other senior executives. The remuneration committee shall thus prepare proposals regarding guidelines for remuneration to board members, the CEO and senior executives. The board of directors shall prepare a proposal for new guidelines for remuneration when there is a need for significant changes to the guidelines, but at least every four years. The board of directors is entitled to deviate from the above guidelines in whole or in part if there are special reasons for doing so in an individual case.

Remuneration for auditors
Audit services refer to the audit of the annual report and bookkeeping as well as the management of the Company's operations by the board of directors and the CEO, other tasks that are incumbent on the Company's auditors, and the provision of advice or other assistance resulting from observations made in connection with the auditing or the performance of such other tasks. Remuneration to the Company's auditor is paid according to approved invoices.

Incentive scheme for employees
In 2023, Flerie Invest implemented an incentive scheme for all its employees, which after the Transaction has been transferred to the Company. The incentive scheme has in connection with the Transaction been introduced by Flerie and includes, as of the date of the Prospectus, Ted Fjällman (CEO), Cecilia Schéele (CFO and Deputy CEO), Mark Quick (Partner) and Karl Elmqvist (Investment Manager). The purpose of the incentive scheme is to encourage joint efforts of Flerie's employees, all in line with Flerie's overall performance and main KPI of increasing the Company's value.

The award consists of 0.5 per cent of the reported increase in value of the portfolio per year and person above. The award shall, where applicable, include social security contributions and pension costs. The maximum award is capped at MSEK 3 per person including social security contributions and other costs. For part-time employees, the award is scaled pro rata. The incentive scheme can be changed unilaterally by Flerie. The incentive scheme entitled to compensation for the first time in 2024 (relating to the financial year 2023), but as there was no increase in portfolio value in 2023, no payments will be made in 2024.

Call options issued by T&M Participation AB
T&M Participation AB has issued call options to certain members of the Company's board of directors and one of the Company's advisors. Each call option gives the holder a right to purchase one (1) share in the Company from T&M Participation AB during the relevant exercise period. The purpose of issuing the call options is to motivate and reward certain key employees of the Company by giving them the opportunity to own shares in the Company, which favours the Company's long-term interests. As the call options relate to existing shares in the Company, no dilution will occur upon exercise of the call options. Furthermore, the Company is not charged any social security contributions in connection with the programme.

In the event of a consolidation or share split of the Company's shares or a rights issue or an extraordinary dividend during the period the call options are exercisable, the number of option shares and/or the exercise price shall be adjusted, at the discretion of T&M Participation AB and after consultation with the Company's auditor, in order for the call options on the closing date shall retain their economic value.

The table below sets out the number of call options and other relevant conditions applicable to the call option program.

Option holder	Outstanding number of call options as per the date of the Prospectus[1)]	Strike price[2)]	Exercise period
Cecilia Edström	11,650,000	SEK 0.55 per share	1 November 2025 – 31 January 2026
Cecilia Edström	11,660,000	SEK 0.66 per share	1 November 2027 – 31 January 2028
Jenni Nordborg	11,710,000	SEK 0.55 per share	1 November 2025 – 31 January 2026
Jenni Nordborg	11,320,000	SEK 0.66 per share	1 November 2027 – 31 January 2028
Anders Ekblom	11,650,000	SEK 0.55 per share	1 November 2025 – 31 January 2026
Anders Ekblom	11,660,000	SEK 0.66 per share	1 November 2027 – 31 January 2028
Carl-Johan Spak	22,400,000	SEK 0.55 per share	1 November 2025 – 31 January 2026

1) The number of option shares has been recalculated following the 500:1 share split carried out in March 2023.
2) The strike price has been recalculated following the 500:1 share split carried out in March 2023.

Call options issued by Flerie Invest in Empros Pharma

Flerie Invest has issued call options to certain members of Empros Pharma's board of directors and management team (one of whom is also employed by Flerie).

Each call option gives the holder the right to purchase a certain number of shares in Empros Pharma from Flerie Invest during the exercise period. If the call option is not exercised by 31 December 2027, it will expire. The call option holder has the right to exercise the call options in advance if Flerie Invest (i) receives an offer to transfer all of Flerie Invest's shares in Empros Pharma to a third party and Flerie Invest intends to accept such an offer, or (ii) decides for other reasons that the call options can be exercised in advance.

Option holder	Outstanding call options as per the date of the Prospectus	Strike price	Exercise period
Ulf Holmbäck / Modu AB	221,224	SEK 20 per share	1 June – 31 December 2027
Halide Shala	26,026	SEK 20 per share	1 June – 31 December 2027
Arvid Söderhäll	520,528	SEK 20 per share	1 June – 31 December 2027
Mark Quick	156,158	SEK 20 per share	1 June – 31 December 2027
FormulationWise AB	260,264	SEK 20 per share	1 June – 31 December 2027
Setraco AB	260,264	SEK 20 per share	1 June – 31 December 2027

Corporate governance

LEGISLATION AND THE SWEDISH CORPORATE GOVERNANCE CODE

The Company is a Swedish public limited liability company and is regulated by Swedish law, mainly the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Annual Accounts Act (Sw. *årsredovisningslagen (1995:1554)*). Prior to the listing on Nasdaq Stockholm, the Company has complied with Nasdaq First North Growth Market's regulatory framework. In addition to legislation and Nasdaq First North Growth Market's regulatory framework, the Company's corporate governance is based on the Company's articles of association and internal guidelines for corporate governance. Once the Company's ordinary shares have been listed on Nasdaq Stockholm, the Company will comply with Nasdaq Stockholm's regulatory framework instead of Nasdaq First North Growth Market's regulatory framework. Once the Company´s shares have been listed on Nasdaq Stockholm, the Company will also apply the Swedish Corporate Governance Code (the "**Code**"). The Code applies to all Swedish companies with shares listed on a regulated market in Sweden and shall be fully applied in connection with the listing. The Company is not obliged to comply with every rule in the Code as the Code itself provides for the possibility to deviate from the rules, provided that any such deviations and the chosen alternative solutions are described, and the reasons therefore are explained in the corporate governance report according to the so-called "comply or explain principle".

The Company will apply the Code from the time of the listing of the ordinary shares on Nasdaq Stockholm. Any deviation from the Code will be reported in the Company's corporate governance report. However, in the first corporate governance report following the listing on Nasdaq Stockholm, the Company is not required to explain non-compliance with such rules that have not been relevant during the period covered by the corporate governance report. Currently, the Company does not expect to report any deviation from the Code in the corporate governance report.

GENERAL MEETINGS

According to the Swedish Companies Act, the general meeting is the Company's ultimate decision-making body. At the general meeting, the shareholders exercise their voting rights in key issues, such as the adoption of income statements and balance sheets, appropriation of the Company's results, discharge from liability of members of the board of directors and the CEO, election on members of the board of directors and auditors and remuneration to the board of directors and the auditors.

The annual general meeting must be held within six months from the end of the financial year. In addition to the annual general meetings, extraordinary general meetings may be convened. According to the articles of association, general meetings are convened by publication of the convening notice in the Swedish National Gazette (Sw. *Post- och Inrikes Tidningar*) and on the Company's website. At the time of the notice convening the meeting, information regarding the notice shall be published in Dagens Industri.

The right to participate in general meetings

Shareholders who wish to participate in a general meeting must be included in the shareholders' register maintained by Euroclear six banking days prior to the meeting and notify the Company of their participation no later than on the date stipulated in the notice convening the meeting. Shareholders may attend the general meeting in person or by proxy and may be accompanied by a maximum of two assistants. Typically, it is possible for a shareholder to register for the general meeting in several different ways as indicated in the notice of the meeting. In addition to notifying the Company of their intention to participate in the general meeting, shareholders whose shares are registered in the name of a nominee, through a bank or other nominee, must request that their shares are temporarily registered in their own names in the share register maintained by Euroclear in order to be entitled to participate in the general meeting. A shareholder or its representative may vote for all Company shares owned or represented by the shareholder.

Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the board of directors. Such request must be received by the board of directors well in advance of the shareholders' meeting, in accordance with the information provided on the Company's website in conjunction with the announcement of the time and place of the general meeting.

NOMINATION COMMITTEE

According to the Code, all companies whose shares are listed on a regulated market in Sweden must have a nomination committee to prepare proposals regarding certain appointments by the general meeting. The main task of the nomination committee is to propose candidates for election to the board of directors, including the chairman of the board, and, where applicable, propose auditors for election to the general meeting. When nominating persons for election to the board of directors, the nomination committee shall determine whether the persons nominated for election are considered independent of the Company, its senior management and the major shareholders in the Company. In addition, the nomination committee shall propose a candidate for election of chairman of the general meeting. The nomination committee shall also submit proposals concerning the fees of the chairman of the board of directors, the other board members and the auditors.

At the extraordinary general meeting held in the Company on 10 June 2024, it was resolved to adopt the following principles for the appointment of and instructions regarding the nomination committee.

The nomination committee shall consist of the chairman of the board and three members appointed by the three shareholders with the largest number of votes at the end of the third quarter of the respective year. "The three largest shareholders in terms of number of votes" shall also refer to hereafter known shareholder groupings. The chairman of the board shall annually contact the shareholders who have the right to appoint a member. If any of the shareholders chooses to waive their right to appoint a member to the nomination committee, the right passes to the next shareholder with the largest number of votes, and so on.

The names of the members of the nomination committee and the names of the shareholders who have appointed the members shall be published no later than six months before the annual general meeting. The nomination committee appoints a chairman from among itself. The chairman of the board shall not be the chairman of the nomination committee. If a member leaves the nomination committee before its work is completed, and the nomination committee considers that there is a need to replace this member, a replacement shall be appointed by the same shareholder who appointed the resigned member or, if this shareholder no longer belongs to the three largest shareholders in terms of votes, by the shareholders who belong to this group and who have not appointed a member of the nomination committee. If a shareholder who has appointed a certain member has significantly reduced his holding in the Company, and the nomination committee does not consider it inappropriate in light of the possible need for continuity before the imminent general meeting, the member appointed by such a shareholder shall leave the nomination committee and the nomination committee shall offer the largest shareholder who has not appointed member of the election committee to appoint a new member.

The nomination committee shall otherwise have the composition and fulfil the tasks that from time to time follow from the Swedish Code of Corporate Governance. The members of the nomination committee shall not receive fees from the Company. Any overhead costs that arise in connection with the work of the nomination committee shall be paid by the Company, provided that these have been approved by the chairman of the board.

BOARD OF DIRECTORS

The board of directors is the second-highest decision-making body of the Company after the general meeting. According to the Swedish Companies Act, the board of directors is responsible for the organisation of the Company and the management of the Company's affairs, which means that the board of directors is responsible for, among other things, setting targets and strategies, securing routines and systems for evaluation of set targets, continuously assessing the Company's financial condition and profits as well as evaluating the operating management. The board of directors is also responsible for ensuring that annual reports and interim reports are prepared in a timely manner. Moreover, the board of directors appoints the CEO.

Members of the board of directors are normally appointed by the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the members of the board of directors elected by the general meeting shall be not less than three and not more than eight members without any deputy members.

According to the Code, the chairman of the board of directors is to be elected by the annual general meeting and have a special responsibility for leading the work of the board of directors and for ensuring that the work of the board of directors is efficiently organised.

The board of directors has, in accordance with the Swedish Companies Act, adopted written rules of procedure for its work, to be evaluated, updated and re-adopted annually. The board of directors meets regularly in accordance with a program set out in the rules of procedure containing certain permanent items and certain items when necessary. In addition to these regular meetings, the board of directors can be summoned to a meeting to address issues that cannot be postponed to a regular board meeting. In addition to the board meetings, the chairman of the board and the CEO have a continuous dialogue concerning the management of the Company.

Currently, the Company's board of directors consists of four members elected by the general meeting, who are presented in the section "*Board of directors, senior management and auditors*".

The board of directors can set up committees with the task to prepare issues related to a certain area and extend the decision-making authority to such committees, however, the board of directors cannot discharge itself from the responsibility for decisions that are based thereon. If the board of directors decides to establish a committee, it needs to be clarified in the board's written rules of procedure what tasks and what decision-making authority the board has extended to the committee, as well as how the committee is ought to report to the board. The board has established an audit committee in accordance with the Swedish Companies Act and a remuneration committee in accordance with the Code. A more detailed description of the current composition and tasks of the committees is provided below.

Audit committee
The Company has established an audit committee consisting of four members: Cecilia Edström (chairman), Anders Ekblom, Thomas Eldered and Jenni Nordborg. Without affecting the responsibilities and duties of the board of directors, the audit committee is tasked with, among other things, monitoring the Company's financial reporting and the efficiency of the Company's internal controls and risk management, keeping itself informed about the audit of the annual report statements and the consolidated financial statements, reviewing and monitoring the impartiality and independence of the auditors and paying special attention to whether the auditors are providing other services besides audit services to the Company, and assisting in connection with the annual general meetings decision on the election of auditors.

Remuneration committee
The Company has established a remuneration committee consisting of three members: Anders Ekblom (chairman), Cecilia Edström and Jenni Nordborg. The remuneration committee is tasked with preparing proposals on remuneration principles, remunerations and other employment terms for the Company's senior management. The remuneration committee is also tasked with monitoring and evaluating programmes for variable remuneration for the senior management, the application of the guidelines for remuneration to the senior management adopted by the annual general meeting as well as the current remuneration structures and remuneration levels in the Company.

THE CEO AND OTHER SENIOR MANAGEMENT

The CEO is subordinated to the board of directors and is responsible for the everyday management and operations of the Company. The division of work between the board of directors and the CEO is set out in the rules of procedure for the board of directors and the instructions for the CEO. The CEO is also responsible for the preparation of reports and compiling information from the senior management for the board meetings and for presenting such materials at the board meetings. The CEO must ensure that the board of directors receives adequate information for the board of directors to be able to evaluate the Company's financial condition continuously.

The CEO and other senior management are presented in the section "*Board of directors, senior management and auditors*".

INTERNAL CONTROL AND RISK MANAGEMENT

The board of directors' responsibility for the internal control is governed by the Swedish Companies Act, the Swedish Annual Accounts Act – which states that information regarding the most important elements of the Company's internal control and risk management in connection with the financial reporting each year must be included in the corporate governance report – and the Code. The board of directors is, inter alia, responsible for that the Company has a good internal control and formalised routines that ensure that established principles for financial reporting and internal control are complied with. It is also responsible to ensure that there are adequate systems for follow-up and control of the Company's activities and the risks that the Company and its activities are associated with. The Company has implemented necessary policies and procedures for internal control and risk management.

The overall purpose of the internal control is to, to a reasonable extent, ensure that the Company's operative strategies and objectives are followed-up on and that the shareholders' investments are protected. Furthermore, the internal control aims to ensure that the external financial reporting, with reasonable safety measures, is reliable and prepared in accordance with generally accepted accounting principles, and that applicable law and regulations as well as other requirements imposed on listed companies, are complied with. The control environment is the foundation for the internal control which also includes risk assessment, control activities, information and communication as well as follow-up. Mentioned components are described further below.

Control environment
The board of directors bears the overall responsibility for internal control of financial reporting. To create and maintain a functioning control environment, the board of directors has adopted a number of policies and governing documents that regulate the financial reporting. These mainly comprise the rules of procedure for the board of directors, the instructions for the CEO, instructions for committees set up by the board of directors and instructions for financial reporting.
The board of directors has also set up an authorisation order and a financial policy. The Company also has a handbook on economic matters, which includes

principles, guidelines, and procedure descriptions for accounting and financial reporting. The board of directors has furthermore set up an audit committee which main task is to monitor the Company's financial reporting, the efficiency in the Company's internal control, internal auditing (if such a function is established in the future) and risk management, as well as to review and monitor the auditor's impartiality and independence. The responsibility of the day-to-day work of maintaining the control environment rests primarily with the Company's CFO who reports to the board of directors regularly in accordance with established instructions.

In addition to the internal monitoring and reporting, the Company's external auditors report to the CEO and the board of directors during the financial year. The auditors' reporting keeps the board of directors informed of reliable documentation for the financial reporting in the annual report.

Risk assessment and control activities

The risk assessment work includes identifying and evaluating the risk of significant errors in the Company's operational process, which includes accounting and reporting at group and subsidiary level. Risk assessment is carried out on an ongoing basis and in accordance with established guidelines focusing on the Company's significant business processes. Within the board of directors, the audit committee has the primary responsibility to continuously evaluate the Company's risk situation, after which the board of directors makes an annual review of the risk situation.

INFORMATION AND COMMUNICATION

Companies that have shares admitted to trading on Nasdaq Stockholm have a duty to ensure that all stakeholders on the stock market and the general public have simultaneous access to inside information concerning the Company.

The board of directors has, among other things, adopted a communication and insider policy in order to ensure an accurate and good quality of the Company's information and handling of inside information both externally and internally. The chairman of the board of directors deals with overall shareholder-related issues, while the CEO has the overall responsibility of the Company's external communication. Policies and guidelines regarding the information to be provided and insider rules as well updates and amendments are made available and known to the staff concerned, and the group management reviews the regulations with employees.

The Company's policies are formulated in accordance with Swedish law, Nasdaq Stockholm's regulations, the Code and the EU Market Abuse Regulation (MAR). All financial reports and press releases that are published after the listing will be published on the Company's website (www.flerie.com) in direct connection with publication.

AUDITING

The auditor is to examine the Company's annual report and the accounting records as well as the board of directors' and the CEO's management. After each financial year, the auditor shall leave an auditor report and a consolidated auditor report to the annual general meeting.

According to the Company's articles of association, the Company shall have one to two auditors and not more than two deputy auditors or a registered accounting firm. The Company's auditor is Ernst & Young AB, with Jennifer Rock-Baley as auditor-in-charge. The Company's auditor is further presented in the section "*The board of directors, senior management and auditors*".

Articles of association

Adopted at the extraordinary general meeting held on 10 June 2024.

§ 1 Name of company
The name of the company is Flerie AB. The company is public (publ).

§ 2 Registered office of the company
The registered office of the company is situated in Stockholm municipality.

§ 3 Objects of the company
The company shall own and manage securities, shares and rights, and conduct any other activities compatible therewith.

§ 4 Share capital and number of shares
The share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000.

The number of shares in the company shall be not less than 5,000,000,000 and not more than 20,000,000,000.

§ 5 Share classes
Shares can be issued in two different classes; ordinary shares and shares of series C. Ordinary shares may be issued in a quantity corresponding to the entire share capital of the company and shares of series C may be issued in a quantity corresponding to a maximum of five (5) per cent of the entire share capital of the company.

Ordinary shares and shares of series C carry one (1) vote per share.

Shares of series C do not entitle to dividends. If the company is dissolved, shares of series C carry an equal right to the company's assets as ordinary shares, however not to an amount exceeding the Redemption Amount with the addition of any Accrued Interest (both as defined in § 8 below).

If the company decides to issue new shares of all share classes issued, through either a cash issue or a set-off issue, the holders of shares shall have a preferential right to subscribe for shares of the same class in relation to the number of shares previously owned (primary preferential right). Shares that are not subscribed for through primary preferential right shall be offered to all shareholders (subsidiary preferential right). If the whole amount of shares subscribed for through subsidiary preferential right cannot be issued, the shares shall be divided between the subscribers in relation to the number of shares previously owned by them and, in the event that this cannot be done, the shares shall be divided by the drawing of lots.

If the company decides to issue new shares of only one class, through either a cash issue or a set-off issue, each shareholder, without regard to different classes of shares, shall have a preferential right to subscribe for new shares in relation to the number of shares previously owned by them.

If the company decides to issue subscription options or convertibles, through either a cash issue or a set-off issue, each shareholder shall have a preferential right to subscribe for the subscription options as if the issue was for the shares that may be subscribed for through the subscription option and, respectively, each shareholder shall have a preferential right to subscribe for the convertibles as if the issue was for the shares that the convertibles may be converted into.

What has been stated above shall not impose any limitation in the possibility to decide on a cash issue or a set-off issue with deviation from the shareholders' preferential right.

If the share capital is increased through a bonus issue, new shares of each class of shares shall be issued in relation to the number of shares of the same class that existed before the bonus issue. In that respect, old shares of a certain class entitle to new shares of the same class. What has now been stated shall however not impose any limitation in the possibility to issue shares of a new class through a bonus issue, following a requisite amendment of the articles of association.

§ 6 Disclosure of net asset value
The company shall monthly disclose to the public a summary of the company's net asset value (in total and per share) as of the last day of each month. The summary shall be disclosed no later than five days after the end of the previous month. The net asset value shall be calculated in accordance with good accounting practice and in accordance with the principles that the company applies for calculating the net asset value. The basis of calculation and principles applied by the company are set forth in the company's annual report.

§ 7 Conversion of ordinary shares to shares of series C
Ordinary shares shall, at the request of the holder of such shares, be converted into shares of series C as follows. Holders of ordinary shares have the right, during the period between 24 March and 31 March each year (the "**Conversion Period**"), to request that all or

part of the ordinary shares held shall be converted into shares of series C. The request for conversion shall be submitted in writing on a form provided by the company, where the number of ordinary shares that the holder wishes to convert shall be stated, and have been received by the board of directors of the company no later than 31 March each year. Following the end of the Conversion Period, the request for conversion is irrevocable and binding.

During 2025, the Conversion Period shall, by way of derogation from the previous paragraph, occur between 23 June and 30 June 2025.

Conversion may take place of a maximum number of ordinary shares that will result in the number of issued shares of series C, following executed conversion, amounting to a maximum of five (5) percent of the entire share capital.

The board of directors shall address the matter of conversion as soon as possible after the end of each Conversion Period. In the event that the number of ordinary shares requested for conversion exceeds the number that can be converted in accordance with this § 7, the distribution of the ordinary shares to be converted shall be made in proportion to the number of ordinary shares that each shareholder has requested for conversion at the end of the Conversion Period. To the extent that the distribution in accordance with the above does not go out evenly, further distribution shall take place by drawing of lots. Thereafter, the board of directors shall immediately submit a notification to the Swedish Companies Registration Office for registration of the conversion. The conversion is executed when registration has taken place and the conversion been noted in the Central Securities Depositary Register.

§ 8 Annual redemption of shares of series C

Reduction of the share capital, however not below the minimum capital, may be made by redemption of shares of series C in accordance with the following.

As soon as possible after the announcement of the interim report for the first quarter (but no later than 31 May) each year, and after the board of directors has determined whether redemption of all outstanding shares of series C can take place with regard to (i) the limits of the company's share capital, (ii) the requirements set forth in Chapter 20, Section 33 of the Swedish Companies Act in order to carry out the reduction without permission from the Swedish Companies Registration Office or a court of general jurisdiction, (iii) circumstances which have occurred after the end of the Conversion Period and which have had or can reasonably be expected to have a material adverse effect on the company's financial position, consolidation needs or liquidity needs, and (iv) the need to liquidate investments made by the company within the time required and in an orderly manner, the board of directors shall resolve on the reduction and take the necessary measures to ensure that redemption is executed with a record date which shall occur no later than three weeks from the announcement of the interim report for the first quarter (the "**Ordinary Record Date**") and with a payment date which shall occur no later than one week from the Ordinary Record Date.

During 2025, the Ordinary Record Date shall, by way of derogation from the previous paragraph, occur no later than three weeks after the announcement of the half-yearly report for 2025.

In the event that any of the circumstances according to (i)–(iv) above justifies the redemption of a lower number than all outstanding shares of series C, the board of directors may resolve that a lower number of shares of series C shall be redeemed and/or to postpone the date of redemption and payment of the redemption amount for all or part of the shares of series C, whereby redemption of remaining shares of series C and payment of the redemption amount shall take place as soon as possible with regard to the circumstances specified in (i)–(iv) above, however no later than 31 January in the subsequent year. In the event that the board of directors resolves in accordance with the foregoing, (i) the distribution of the shares of series C (if any) to be redeemed as of the Ordinary Record Date shall be made in proportion to the number of shares of series C that each shareholder holds and, to the extent that the distribution does not go out evenly, further distribution shall take place by drawing of lots, and (ii) the Redemption Amount (as defined below) for the shares of series C that are not redeemed as of the Ordinary Record Date shall be increased by a factor corresponding to an annual interest rate of STIBOR 30 days with the addition of six (6) percentage points calculated from the last day of the Conversion Period in the current year up to and including the date on which payment of the redemption amount is made for such share (such amount per share, "**Accrued Interest**").

The redemption amount for each redeemed share of series C shall correspond to the net asset value per share as reported as of 31 March of the current year in accordance with § 6 (the "**Redemption Amount**"). No interest shall accrue on the Redemption Amount other than as set out in this § 8.

During 2025, the Redemption Amount shall, by way of derogation from the previous paragraph, correspond to the net asset value per share as reported as of 30 June 2025 in accordance with § 6.

When the resolution on reduction is made, an amount corresponding to the amount by which the share capital is reduced shall be allocated to the reserve fund if the necessary funds are available, provided that it is necessary for permission for the reduction of the share capital not to be required.

§ 9 Conversion of shares of series C to ordinary

Shares of series C shall, at the request of the holder of such shares, be converted into ordinary shares as follows. In the event that not all shares of series C have

been redeemed as of the Ordinary Record Date (as defined in § 8 above) each year, or in the event that no Ordinary Record Date has been determined, as of the date that the Ordinary Record Date should have occurred at the latest in accordance with § 8 above, holders of such shares have the right, from (and including) 1 July each year, to request that all or part of the shares of series C held shall be converted into ordinary shares. The request for conversion, which shall be in writing and state the number of shares of series C to be converted, shall be submitted to the board of directors. The company shall immediately submit a notification to the Swedish Companies Registration Office for registration of the conversion. The conversion is executed when registration has taken place and the conversion been noted in the Central Securities Depositary Register.

During 2025, holders of shares of series C have the right, by way of derogation from the previous paragraph, to request conversion pursuant to this § 9 from (and including) 1 October 2025.

Holders of shares of series C that have requested conversion pursuant to this § 9 waive their claim for unpaid Redemption Amount and Accrued Interest in connection with submittal of the request for conversion with the board of directors.

§ 10 Increased majority requirement for amendment of the articles of association

A resolution to amend or repeal the provisions in § 7–§ 10 of the articles of association must, to the extent that the amendment or repeal is detrimental to the rights associated with the share of series C, be supported by (i) shareholders holding at least half of all shares of series C and nine-tenths of the shares of series C represented at the general meeting, and (ii) shareholders holding at least nine-tenths of both the votes cast and the shares represented at the general meeting.

§ 11 Board of directors

The board of directors shall comprise not less than three (3) and not more than eight (8) members without deputy members.

§ 12 Auditors

The company shall have one to two auditors and not more than two alternate auditors or a registered accounting firm.

§ 13 Notice to attend general meetings

Notices of general meetings shall be made by announcement in the Swedish Offlcial Gazette (Sw. *Post och Inrikes Tidningar*) and by making the notice available on the company's website. At the same time as notice is given it shall be announced in Dagens industri that a notice has been made.

Shareholders wishing to participate in shareholders' meetings must notify the company no later than the date specified in the notice of the shareholders' meeting.

A shareholder may be accompanied by one or two advisors at a shareholders' meeting only if he or she notifies the company of the number of advisors in accordance with the procedure prescribed for in respect of notice of attendance to be made by a shareholder.

§ 14 Collection of proxy forms and postal voting

The board of directors may collect proxy forms at the company's expense in accordance with the procedure provided in Chapter 7, Section 4, second paragraph of the Companies Act.

The board of directors has the right before a shareholders' meeting to decide that shareholders shall be able to exercise their right to vote by post before the shareholders' meeting.

§ 15 Annual general meeting

The annual general meeting is held each year within six months of the end of the financial year.

§ 16 Financial year

The company's financial year shall comprise the period commencing 1 January up to and including 31 December.

§ 17 CSD clause

The shares of the company shall be registered in a CSD register in accordance with the Central Securities Depositaries and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*).

Legal considerations and supplementary information

GENERAL INFORMATION

Flerie AB

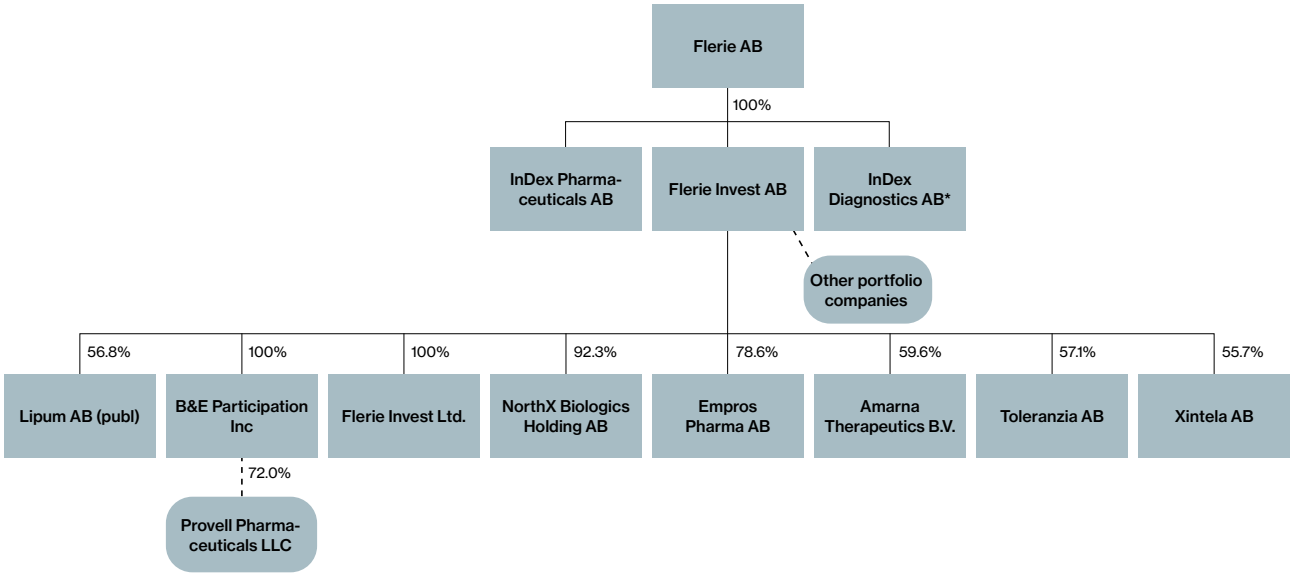
The Company is a Swedish public limited liability company incorporated in Sweden on 14 December 2015 and was registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 27 June 2016. The Company's legal name and trade name is Flerie AB. The Company's corporate identity number is 559067-6820 and the Company's LEI-code is 54930047C4A74IBXR037. The Company's registered office is situated in Stockholm municipality and general meetings shall be held in Stockholm. The Company is governed by the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). According to the Company's articles of association, the object of the Company's business is to own and manage securities, shares and rights and activities compatible therewith. Please refer to the complete articles of association in the section "*Articles of association*". The Company's website is www.flerie.com. Information on the Company's website does not constitute part of the Prospectus unless this information is incorporated by reference into the Prospectus.

Flerie Invest

Flerie Invest is a Swedish public limited liability company incorporated in Sweden on 17 June 2011 and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on 20 June 2011. The company's legal name is Flerie Invest AB, and its corporate identity number is 556856-6615. Flerie Invest's registered office is situated in Stockholm municipality. The address of Flerie Invest is Skeppsbron 16, 111 30 Stockholm, Sweden.

GROUP STRUCTURE

The Company is the parent company of the Group. The Company has eleven, directly and indirectly held, subsidiaries: Flerie Invest AB, B&E Participation Inc, Flerie Invest Ltd, NorthX Biologics Holding AB, Lipum AB, Empros Pharma AB, Amarna Therapeutics B.V., Toleranzia AB, Xintela AB, InDex Pharmaceuticals AB and InDex Diagnostics AB (under ongoing voluntary liquidation). All of Flerie's holdings in the portfolio companies are held directly through Flerie Invest, except for Provell Pharmaceuticals which is held by B&E Participation Inc.



* InDex Diagnostics AB is under ongoing voluntary liquidation.

JOINT VENTURES AND ASSOCIATED COMPANIES

For a description of Flerie´s portfolio companies, please see the section "*Business description – Flerie's portfolio*".

MATERIAL AGREEMENTS

Flerie Invest

Flerie Invest has not entered into any material agreements except within the course of its day-to-day operations. Described below are the agreements that have been entered into by Flerie Invest within the course of its day-to-day operations and that contain rights or obligations that are of importance to the Group.

Investment and divestment agreements

In connection with Flerie Invest's investments and divestments in several unlisted portfolio companies, Flerie Invest has entered into certain investment agreements. The investment agreements generally contain customary provisions as well as customary representations and warranties from the sellers in relation to the acquired shares.

Divestment of Cormorant Pharmaceuticals AB

On 1 July 2021, all shareholders of Cormorant Pharmaceuticals AB, including Flerie Invest, entered into a share purchase agreement with Bristol-Myers Squibb Company whereby Bristol-Myers Squibb Company acquired all shares in Cormorant Pharmaceuticals AB for a total consideration of up to MUSD 520.

According to the share purchase agreement, Bristol-Myers Squibb Company agreed to, in addition to the initial purchase price, pay a total maximum of five milestone payments to the sellers upon the occurrence of certain events. The maximum total milestone payments payable by Bristol-Myers Squibb Company to Flerie Invest under the share purchase agreement amounts to MUSD 154. As of the date of the Prospectus, an amount of MSEK 505.9 has been paid to Flerie Invest.

Convertible loan agreements

Flerie Invest has entered into several convertible loan agreements relating to the portfolio companies. The convertible loan agreement mentioned below is considered material to the Group.

Convertible loan agreement in NorthX Biologics

On 12 October 2021, the shareholders of NorthX Biologics resolved upon an issue of convertibles amounting to MSEK 150. The convertibles were subscribed by Flerie Invest and have subsequently been transferred, whereby the purchase price for the convertibles was set off against a loan that the acquirer of the convertibles has provided to Flerie Invest in the corresponding amount. The convertibles can be converted into shares by either the convertible holder or NorthX Biologics during the period 1 January 2022 up and until 31 December 2024. The conversion rate is SEK 6,000 per share, entailing an increase in the share capital in the amount of SEK 25,000. Upon conversion, 25,000 new shares can be issued in NorthX Biologics, resulting in a dilution of approximately 46 per cent.

Loan agreement with NorthX Biologics

On 1 January 2023, Flerie Invest entered into a loan agreement with NorthX Biologics, under which a loan of MSEK 300 may be issued. The loan agreement replaces all previous loan agreements between the parties. The loan carries an interest rate of 4 per cent and is to be repaid on 31 December 2025. NorthX Biologics may prepay the amount and the interest rate. As of 31 March 2024, an amount of MSEK 244 was outstanding on the loan.

Shareholders' agreements

Flerie Invest has entered into shareholder agreements regarding the ownership of the shares in some of the unlisted portfolio companies. The shareholders agreements contain customary provisions on the appointment of directors of the board, majority requirements for certain decisions by the board and the general meeting, information rights, confidentiality, transfer of shares and in some cases, change of control clauses whereby "control" generally means the ability, directly or indirectly, to direct the management or policies of a person, whether through ownership of shares or otherwise. Some of the shareholders' agreements also contain provisions on non-competition and non-solicitation.

Outstanding subscription undertakings

Flerie Invest makes continuous undertakings within the scope of its operations, to subscribe for shares in portfolio companies. For information on the material undertakings outstanding as of the day of the Prospectus please see the section "*Capital structure, indebtedness and other financial information – Ongoing and decisive investments*".

Flerie AB

Apart from the share purchase agreement with the shareholders of Flerie Invest described below, the Company has not entered into any agreements of material importance to the Group.

Share purchase agreement between the Company and the shareholders of Flerie Invest

On 20 May 2024, the Company entered into a conditional agreement with the shareholders of Flerie Invest to carry out a reverse acquisition of the Company. The Transaction was carried out through a directed issue 6,073,952,948 ordinary shares in the Company, resolved by the extraordinary general meeting of the Company on 10 June 2024, against payment in kind, whereby the shareholders of Flerie Invest subscribed

for the newly issued shares in the Company in exchange for all outstanding shares in Flerie Invest. Following the Transaction, Flerie Invest is a wholly-owned subsidiary of the Company and the former major shareholders of Flerie Invest are major shareholders of the Company.

LOCK-UP UNDERTAKINGS

In connection with the Transaction, the Principal Shareholders, the board of directors and the senior management in the Company has undertaken not to sell or otherwise transfer their shares in the Company for a certain period of time following completion of the Transaction. This so-called lock-up period is a total of 360 days for the Principal Shareholders and 180 days for the board of directors and senior management of the Company. The transfer restrictions are subject to customary restrictions and exceptions, such as the acceptance of an offer to all shareholders of the Company in accordance with the rules for Swedish public takeover bids, sale or other divestments of shares as a result of an offer from the Company to acquire its own shares, or in case transfer of shares is required by legal, administrative or judicial requirements. Furthermore, Carnegie may, if deemed appropriate in the individual case and after consultation with DNB, grant exceptions from the relevant commitments, after which the shares may be offered for sale or otherwise disposed of. After the expiry of the applicable lock-up period, shareholders affected by the lock-up period are free to sell their shares in the Company.

Furthermore, the Company has undertaken, for a period of 360 days from 11 June 2024, not to, without the approval of Carnegie, in consultation with DNB, propose or take any measures that entail an increase in the share capital, new share issues and similar measures, with certain exceptions, for example in connection with acquisitions or the establishment of incentive programmes.

INSURANCE

The board of directors considers the current insurance coverage, including the levels and conditions of these insurances, to provide an adequate level of protection with regard to insurance premiums and the potential risks related to the operations. However, the Company cannot guarantee that losses will not occur or that claims cannot be made that are not covered, or only partially covered, by the existing insurance coverage.

AUTHORITY PROCEEDINGS, LEGAL PROCEEDINGS AND ARBITRATION

Neither the Company nor Flerie Invest has not been involved in any proceedings with authorities, any legal or arbitration proceeding (including any such proceedings which are pending or threatened of which the Company is aware) during the previous 12 months that may have, or have had, a significant effect on the Company's or Group's financial position or profitability.

RELATED PARTY TRANSACTIONS

Flerie Invest

In 2021, a restructuring was carried out, whereby Flerie Invest sold its holding in T&M Participation AB (49 per cent of the shares) to the newly formed affiliated company T&M Förvaltning AB. All shares in Flerie Invest were thereafter transferred from Flerie Creations Ltd to T&M Participation AB, which, after the restructuring, became the parent company of Flerie Invest.

For information concerning other related party transactions for the financial years ended 2021, 2022 and 2023, please refer to the annual reports for Flerie Invest incorporated to the Prospectus by reference (see the section "*Documents incorporated by reference*").

The following related party transactions have taken place in Flerie Invest during the period from 1 January 2024 up to the date of publication of the Prospectus.

In 2024, an amount of MSEK 90 has been disbursed under a facility agreement entered into by Flerie Invest as borrower with T&M Participation AB as lender on 16 October 2023. The loan was subsequently repaid to T&M Participation AB in June 2024. Under the facility agreement, T&M Participation AB made a loan facility of MSEK 120 available to Flerie Invest for general corporate purposes. Loans granted under the facility agreement carry an annual interest rate of STIBOR plus two (2) per cent and are to be repaid no later than 31 January 2025. As of the date of the Prospectus, the debt to T&M Participation AB under the facility agreement amounts to MSEK 0.

In 2024, an amount of MSEK 40 has been disbursed under a loan agreement Flerie Invest entered into as lender with NorthX Biologics as borrower on 1 January 2023. Under the loan agreement, loans totalling MSEK 300 may be disbursed. As of the date of the Prospectus, an amount of MSEK 235 is outstanding on the loan. The loan carries an interest rate of four (4) per cent and is repayable on 31 December 2025. NorthX Biologics may repay the principal amount and interest in advance.

On 16 February 2024, Flerie Invest entered into a promissory note of MSEK 1.9 with Chromafora. As of the date of the Prospectus, MSEK 1.9 is outstanding on the loan. The loan carries an annual interest rate of nine (9) per cent and matured on 31 March 2024, however, on 29 April 2024, the parties entered into a supplementary agreement under which the loan has been extended to 30 June 2024. Furthermore, in May 2024, Flerie Invest entered into an additional promissory note of MSEK 2.5 with Chromafora, intended to be transferred from Chromafora to a third party that is or intend to become a shareholder of Chromafora. As of the date of the Prospectus, MSEK 2.5 is outstanding on the loan. The loan carries an annual interest rate of nine (9) per cent and is due for payment on 30 June 2024.

On 15 January 2024, Flerie Invest, through its wholly owned subsidiary B&E Participation, Inc. as lender, entered into a convertible loan agreement with Provell Pharmaceuticals, LLC. Under the loan agreement, a loan of MUSD 0.6 can be disbursed. As of the date of the Prospectus, an amount of MUSD 0.6 is outstanding on the loan. The loan carries an annual interest rate of five (5) per cent. In the event that B&E Participation Inc. does not exercise the conversion option by 1 February 2025, the option to convert the loan shall lapse. Starting on 1 May 2025, Provell Pharmaceuticals LLC shall pay the outstanding loan amount plus accrued interest in eight (8) consecutive, equal quarterly payments until 1 May 2027. In addition, Flerie Invest has disbursed an additional loan of MUSD 0.3 to B&E Participation Inc., for which a loan agreement is intended to be concluded shortly.

At the beginning of January 2024, Atrogi issued convertible bonds with preferential rights for shareholders totalling MSEK 30. The convertibles were subscribed at a subscription price of SEK 2,652. Flerie Invest was allotted a total of 8,369 convertible bonds with and without preferential rights. In May 2024, Flerie Invest transferred 250 of the convertibles to Anders Ekblom (a board member of the Company), for a total purchase price of MSEK 0.7. As of the date of the Prospectus, MSEK 22 is outstanding on the convertible loan. The convertible loan is interest-free and matures on 1 August 2024 unless conversion at a conversion price of SEK 2,652 has taken place before then.

On 14 February 2024, Flerie Invest, Tellacq Group AB and Bohus Biotech entered into a loan agreement under which Flerie Invest and Tellacq Group AB, as lenders, will each lend MSEK 15. As of the date of the Prospectus, MSEK 15 is outstanding on the loan. The loan carries an annual interest rate of eight (8) per cent and shall be repaid within thirty (30) days of the lenders calling for repayment.

On 27 February 2024, Flerie Invest entered into a loan agreement with Xintela AB (publ) pursuant to which Flerie Invest, in its capacity as lender, can issue loans to Xintela totalling MSEK 16.5. Issued loans carry an annual interest rate of twelve (12) per cent and was, according to the agreement, to be repaid no later than 17 June 2024. However, as of the date of the Prospectus, the disbursed loan, totalling MSEK 15.9, is still outstanding, and the parties are discussing a potential prolongment of the agreement.

On 24 April 2024, Flerie Invest, as lender, entered into a loan agreement with Toleranzia AB (publ) under which a loan of a total of MSEK 20 can be disbursed. As of the date of the Prospectus, an amount of MSEK 0.0 is outstanding on the loan. The loan carries an annual interest rate of eight (8) percent and shall be repaid on the earlier of 30 April 2025 or when the interest rate amounts to MSEK 0.9. Toleranzia AB (publ) may repay the principal and interest early.

On 6 March 2024, Flerie Invest made a public offer to the shareholders and convertible bond holder of Lipum. The price for the convertible was MSEK 2, which was accepted by the convertible holder. The convertible bonds were issued by Lipum at an extraordinary general meeting on 28 August 2020 at a nominal amount of MSEK 2. As of the date of the Prospectus, MSEK 2 is outstanding on the convertible loan. The convertible loan shall, to the extent that conversion has not occurred earlier, be repaid on 28 February 2026. Lipum is not entitled to early redemption of the convertible loan. The convertible loan shall carry an annual interest rate of STIBOR 90 plus three (3) percentage points. The convertible loan can be converted into shares in Lipum until and including 31 December 2025. Conversion shall be made at a conversion price of SEK 32.20.

On 6 May 2024, Flerie Invest, as lender, entered into a loan agreement with Lipum under which a loan of a total of MSEK 20 can be disbursed. As of the date of the Prospectus, an amount of MSEK 0.0 is outstanding on the loan. The loan carries an annual interest rate of eight (8) per cent and is repayable on the earlier of 1 June 2025 or when the interest rate amounts to MSEK 0.9. Lipum may repay the principal and interest early.

Flerie's CEO Ted Fjällman has previously been engaged as a consultant to Flerie Invest, through Roseberry AG. On 1 August 2023, Flerie Invest entered into a service agreement with Roseberry AG, under which Roseberry AG provides Flerie Invest with an office space located in Switzerland and provides personal assistant services to the CEO of Flerie Invest. The fees paid by Flerie Invest amounts to CHF 100,000 yearly. If the agreement has not been terminated by a party no later than thirty (30) days before the end of each calendar year, the agreement will be renewed for consecutive twelve (12) months' periods. The agreement may further be terminated by either party at any time by giving sixty (60) days written notice. During 2024, Ted Fjällman has invoiced Flerie Invest MSEK 1.4 for office and administrative services through Roseberry AG.

T&M Participation AB has invoiced Flerie Invest MSEK 0.2 under a consultancy agreement entered into between the parties under which Thomas Eldered assists with consultancy services carried out in addition to his work as chairman of the Flerie Invest. The consultancy services consist mainly of work as a non-remunerated board member in Flerie Invest's unlisted portfolio companies.

Flerie Invest has received KSEK 72 in revenue from Buzzard Pharmaceuticals AB and KSEK 72 from Sixera Pharma AB for office services used.

Financial costs charged by T&M Participation AB to Flerie Invest in respect of a set-up fee on a current loan have amounted to MSEK 1.1. T&M Participation has also charged interest corresponding to MSEK 1.2

for the claim on Flerie Invest. Flerie Invest has charged interest corresponding to MSEK 1.4 for the claim on B&E Participation Inc. Flerie Invest has charged interest corresponding to MSEK 2.5 for the claim on Nanologica AB. Flerie Invest has charged interest corresponding to MSEK 4.7 for the claim on NorthX Biologics. Flerie Invest has charged interest corresponding to MSEK 0.4 for receivables from Chromafora. Flerie Invest has charged interest corresponding to MSEK 0.4 for the claim on Bohus Biotech. Flerie Invest has charged interest corresponding to MSEK 0.1 for the claim on Strike Pharma. Flerie Invest has charged interest corresponding to MSEK 0.5 for the claim on Xintela.

All related party transactions have been entered into at arm's length basis.

Flerie AB

During the period from 1 January 2024 up until the date of the Prospectus, Flerie AB has made intra-group transactions regarding the sale of services amounting to KSEK 2,800 and the purchase of services amounting to SEK 0. The transactions have been carried out on market terms. For information on other related party transactions for the financial years ended 2021, 2022 and 2023, reference is made to the annual reports of InDex incorporated in the Prospectus by reference (see the section "*Documents incorporated by reference*").

REGULATORY DISCLOSURES

The following is a summary of the information disclosed by the Company during the last twelve months in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation), and which, in the Company's opinion, is still relevant as of the date of the Prospectus.

Financial reports

- Interim report for the period January – March 2024, published on 26 April 2024.

Commercial events

- InDex announced on 26 February 2024 that the Company is discontinuing the development of the drug candidate cobitolimod after careful analysis of data from Induction Study 1 in the phase III programme CONCLUDE, which did not show any results that justified continued development.
- InDex announced on 20 May 2024 that the Company had entered into a conditional agreement with the shareholders of Flerie Invest to acquire all shares in Flerie Invest through an issue in kind of 6,073,952,948 new shares in InDex. As part of the Transaction and the continued financing of the Company, a number of institutional investors had undertaken to, within the framework of the Capital Raise, subscribe for shares in the Company for a total amount of approximately MSEK 520 in a directed share issue at a subscription price of SEK 0.506 per share. The approval of the Transaction, the issue in kind of the consideration shares, and the authorisation for the board of directors to resolve on the Capital Raise, was subject to resolution by the extraordinary general meeting on 10 June 2024.
- On 4 June 2024, the Company published the net asset value of Flerie Invest as of 31 May 2024.
- On 13 June 2024, the Company announced that the board of directors, with the support of the authorisation granted by the extraordinary general meeting on 10 June 2024, has carried out a directed share issue of 1,200,000,000 ordinary shares at a subscription price of SEK 0.506 per share to a number of Swedish and international institutional investors raising proceeds of approximately MSEK 607.2 before transaction costs. Flerie intends to use the net proceeds from the Capital Raise to fulfil its capital commitments, make add-on investments in current portfolio companies to accelerate their development and to improve the liquidity.

INTERESTS OF THE ADVISERS

Setterwalls Advokatbyrå AB is legal advisor to the Company in connection with the Admission, and may provide further legal advice to the Company.

CERTAIN TAX CONSIDERATIONS IN SWEDEN

The tax legislation in (i) the investor's country and (ii) the country where the issuer has its registered office may affect the income of securities of the Prospectus. The taxation of each individual shareholder depends, inter alia, on whether the shareholder is subject to unlimited or limited taxation in Sweden, owns the shares as a natural or legal person, or if the shares are being held in an investment savings account or not. Further, special tax rules apply to certain types of taxpayers, for example investment companies and insurance companies. Each holder of shares should therefore consult a tax adviser for information on the special implications that may arise in the individual situation, including the applicability and effect of foreign rules and tax treaties.

TRANSACTION COSTS

The Company's costs associated with the Admission are estimated to amount to approximately MSEK 5. Such costs are mainly attributable to costs for legal advisers, costs related to marketing materials and other presentations as well as costs relating to the listing on Nasdaq Stockholm and the SFSA.

THE PROSPECTUS

The Prospectus has been approved by the SFSA as the competent authority according to the Prospectus Regulation. The SFSA approves the Prospectus only as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. This approval should not be regarded as an endorsement of the Company as referred to in the Prospectus or any form of indication for the quality of the securities as referred to in the Prospectus. Investors should make their own assessment when deciding whether it is appropriate to invest in these securities. The Prospectus has been prepared as a simplified prospectus in accordance with article 14 of the Prospectus Regulation.

DOCUMENTS INCORPORATED BY REFERENCE

The following pages of the following documents are incorporated into the Prospectus by reference. The parts of the documents that are not incorporated into the Prospectus by reference are either not relevant for investors or the corresponding information is reproduced elsewhere in the Prospectus. The documents incorporated by reference are available on the Company's website, https://www.flerie.com/en/investors/.

InDex

- InDex's unaudited interim report for the period 1 January – 31 March 2024, where reference is made to the consolidated statement of total comprehensive income on page 8, the consolidated balance sheet on page 9, the consolidated statement of changes in equity on page 10 and the consolidated cash flow on page 11, and notes on pages 17 – 18.
- InDex's audited consolidated financial statements for the financial year 2023, where reference is made to the consolidated statement of total comprehensive income on page 10, consolidated balance sheet on page 11, the consolidated statement of changes in equity on page 12, the consolidated cash flow on page 13, notes on pages 14 – 31 and the auditor's report on pages 42 – 43.
- InDex's audited consolidated financial statements for the financial year 2022, where reference is made to the consolidated statement of total comprehensive income on page 34, consolidated balance sheet on page 35, the consolidated statement of changes in equity on page 36, the consolidated cash flow on page 37, notes on pages 38-54 and the auditor's report on pages 66 – 67.
- InDex's audited consolidated financial statements for the financial year 2021, where reference is made to the consolidated statement of total comprehensive income on page 34, consolidated balance sheet on page 35, the consolidated statement of changes in equity on page 36, the consolidated cash flow on page 37, notes on pages 38 – 54 and the auditor's report on page 66 – 67.

Flerie Invest

- Flerie Invest's unaudited interim report for the period 1 January – 31 March 2024, where reference is made to the consolidated income statement on page 13, the consolidated balance sheet on page 14, the consolidated statement of changes in equity on page 15 and the consolidated statement of cash flow on page 16, and notes on pages 19 – 24.
- Flerie Invest's audited annual report for the financial year 2023, where reference is made to the consolidated income statement on page 39, the consolidated balance sheet on page 40, the consolidated statement of changes in equity on page 41, the consolidated statement of cash flow on page 42, notes on pages 47– 67 and the auditor's report on pages 69 – 71.
- Flerie Invest's audited annual report for the financial year 2022, where reference is made to the consolidated income statement on page 29, the consolidated balance sheet on page 30, the consolidated statement of changes in equity on page 31, the consolidated statement of cash flow on page 32, notes on pages 37 – 55 and the auditor's report on pages 57 – 59.
- Flerie Invest's audited annual report for the financial year 2021, where reference is made to the investment company's income statement on page 6, the investment company's balance sheet on page 7, the statement of changes in equity for the investment company on page 8, the statement of cash flow for the investment company on page 9, notes on pages 15 – 34 and the auditor's report on page 35.

DOCUMENTS AVAILABLE FOR INSPECTION

The Company's articles of association and registration certificate are available on the Company's website, www.flerie.com during the validity period of the Prospectus.

Glossary

Term	Definition
Antibody	Proteins used by the body's immune system to detect and identify foreign substances.
ATMP	Advanced Therapy Medicinal Products.
Auto-antigen	Normal proteins or complexes of proteins recognised by the immune system of autoimmune patients.
Biotechnology or biotech	Research and development of products created using cells, proteins, or other active biological products in technical applications.
Biotech drugs	Drugs that are created through recombinant DNA technology.
Biomarker	A measure that captures what is happening in a cell or an organism at a given moment.
Cleantech	Technologies that offer solutions to today's environmental problems.
Evergreen	A long-term strategy whereby investments are held for a long period of time. Unlike traditional investment strategies, which usually have a planned exit date, evergreen has no planned exit date. Flerie's evergreen investment strategy aims to create value growth.
Cardiovascular disease	Conditions affecting the heart or blood vessels.
Chronic	Disease that develops slowly, is prolonged or incurable (can only be relieved).
Clinical study	The examination of healthy volunteers or patients to study the safety and efficacy of a potential drug or treatment method.
Conventional drugs	All medicines excluding those that are created through recombinant DNA technology.
Drug candidate	A specific compound usually designated before or during the preclinical phase. The drug candidate is the compound that is then studied in humans in clinical studies.
Drug development	The entire process of bringing a new drug or device to the market, from concept through preclinical and clinical studies, to bringing the product to market.
Immuno-oncology	Field of oncology in which cancer is treated by activating the immune system.
Immunotherapy	A way to harness the body's immune system to attack cancer cells in the same way as the immune system protects against other infections.
Inflection point	An event that leads to a significant change in the development of a company and can be considered a turning point after which the company moves towards commercialisation.
Isothermal microcalorimetry	A technique to measure the heat change in a sample as it is held at a constant temperature – since nearly all processes, chemical and physical, occur with a change in heat, the analysis can be applied to the investigation of almost any material.
Life science	An interdisciplinary research branch devoted to the study of biological life as well as internal and external conditions for continued life.
Metabolic diseases	Diseases which affect the body's metabolism.
Monoclonal antibodies	Antibodies produced by a single clone of cells.
Oncology	Term for the field of medicine concerned with the diagnosis, prevention, and treatment of tumour diseases.

Term	Definition
Plasmid DNA	A small circular DNA molecule found in bacteria and some other microscopic organisms.
Phase I, II and III	The various stages of studies on the efficacy of a pharmaceutical in humans. See also "clinical study". Phase I usually examines the safety on healthy human subjects, Phase II examines efficacy in patients with the relevant disease and Phase III is a large-scale study that verifies previously achieved results in a larger patient population. In the development of new pharmaceuticals, different doses are studied, and safety is evaluated in patients with relevant disease. Phase II is often divided into Phase IIa and Phase IIb. In Phase IIa, which is open, different doses of the pharmaceutical are tested without comparison against placebo or another active drug, focusing on safety and the pharmaceutical's metabolism in the body. Phase IIb is "blind" and evaluates the efficacy of the selected dose(s) against placebo or another active drug.
Preclinical	The stage of drug development before the drug candidate is tested in humans. It includes the final optimisation of the drug candidate, the production of materials for future clinical studies and the compilation of a data package for an application to start clinical studies.
Research and development ("R&D")	R&D expenditure comprise expenditure that is directly attributable to the research and development of new products.
Disease indication	In medical terminology, an "indication" for a medicine refers to the use of that medicine to treat a particular disease. For example, diabetes is an indication for insulin.
Syndicate	A group of investors who pool their resources to jointly invest in a company.

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