



InDex Pharmaceuticals carries out a directed share issue of approximately SEK 37.5 million

October 23, 2018 – The board of directors of InDex Pharmaceuticals Holding AB (publ) (the “Company” or “InDex”) has, with support from the authorization granted by the annual general meeting on May 24, 2018, resolved on a directed share issue of 6,252,842 shares to a small group of investors. The subscription price is SEK 6.02 per share, corresponding to a discount in line with market conditions of 7.7 percent to the 5-day volume weighted average price and 1.3 percent to today’s closing price. InDex will receive proceeds of approximately SEK 37.5 million after transaction related costs for legal services and costs for registration and practical management.

The group of subscribers in the directed share issue is composed of successful investors in Swedish drug development companies. Bengt Julander invests approximately SEK 17.5 million in the Company and Martin Bjäringer and Carl Rosvall invests approximately SEK 8.8 million each. In addition, the Mattsson family invests approximately SEK 2.6 million in the directed share issue. Each investor except Martin Bjäringer has subscribed through a company. The investors do not own any shares in the Company prior to the directed share issue and are not closely connected to the Company.

The reasons for the deviation from the shareholders’ preferential rights, and the purpose of the directed share issue, are to strengthen and broaden the shareholder base with financially strong and industrially skilled investors, and in a time and cost effective manner raise capital to create strategic flexibility leading up to and following the top line results of the CONDUCT study that are expected in the first half of 2019. The CONDUCT study is a phase IIb study of the Company’s lead drug candidate cobitolimod, under development for the treatment of moderate to severe ulcerative colitis. It is the assessment of the board of directors that the directed share issue is beneficial to the Company and hence for all existing shareholders.

The directed share issue entails a dilution of approximately 9.1 percent of the share capital and number of shares and votes in the Company. Through the issue, the number of outstanding shares and votes increases by 6,252,842 from 62,528,433 to 68,781,275. The share capital increases by SEK 125,056.84 from SEK 1,250,586.66 to SEK 1,375,625.50.

In order to facilitate the delivery of shares in the directed share issue, the Company’s main owners, SEB Venture Capital and Industrifonden, will jointly lend 6,252,842 shares to the subscribers. The shares will be returned after the directed share issue has been registered with the Swedish Companies Registration Office. In a separate transaction, the Company’s main owners will issue call options on existing InDex shares to the subscribers.

“We are very pleased with the confidence shown in us and the commitment from these reputable new shareholders that have chosen to invest in InDex”, said Peter Zerhouni, CEO of InDex Pharmaceuticals. “The capital injection allows us to expedite certain activities in the development of cobitolimod and InDex, but most importantly it strengthens the cash position ahead of the top line results in the ongoing CONDUCT study.”

Setterwalls Advokatbyrå acted as legal advisor to InDex in connection with the directed share issue.

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Cobitolimod in brief

Cobitolimod is a new type of drug that can help patients with moderate to severe ulcerative colitis back to a normal life. It is a so-called Toll-like receptor 9 (TLR9) agonist, that can provide an anti-inflammatory effect locally in the large intestine, which may induce mucosal healing and relief of the clinical symptoms in active ulcerative colitis. Cobitolimod has achieved clinical proof-of-concept in moderate to severe active ulcerative colitis, with a very favorable safety profile. Data from four placebo-controlled clinical trials indicate that cobitolimod has statistically significant effects on those endpoints that are most relevant in this disease, both from a regulatory and clinical perspective. These endpoints include the key clinical symptoms such as blood in stool, number of stools, and mucosal healing, respectively. Based on the encouraging results from earlier studies InDex is now performing the phase IIb study CONDUCT to evaluate higher doses and dose frequencies than investigated in previous studies with cobitolimod. The goal of the study is to optimise the treatment and achieve substantially higher efficacy, while maintaining the compound's excellent safety profile. The CONDUCT study will include 215 patients with left-sided moderate to severe active ulcerative colitis at approximately 90 sites in 12 countries. It is a randomised, double blind, placebo-controlled study for evaluating cobitolimod's efficacy and safety in inducing clinical remission compared to placebo. The dose optimisation study investigates three different dose strengths of cobitolimod and two different dose frequencies. Cobitolimod is also known as Kappaproct® and DIMS0150.

InDex Pharmaceuticals in brief

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

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

Publication

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