

InDex discontinues the development of cobitolimod

PERIOD JANUARY-MARCH 2024

- Net sales amounted to SEK 10.8 (0.0) million
- Operating loss amounted to SEK –5.3 (–44.3) million
- Result after tax amounted to SEK –3.0 (–41.8) million, corresponding to SEK –0.01 per share (–0.08) before and after dilution
- Cash flow from operating activities amounted to SEK –33.7 (–23.1) million
- Cash and cash equivalents at the end of the period amounted to SEK 269.8 (319.4) million
- Number of employees at the end of the period was 4 (5)
- Number of shares at the end of the period was 532,687,650

All comparative amounts in brackets refer to the outcome during the corresponding period 2023.

SIGNIFICANT EVENTS DURING THE QUARTER

- InDex announced expected cash balance per March 31, 2024
- InDex discontinues the development of cobitolimod
- CEO and CFO/Deputy CEO both to leave InDex

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- No significant events have occurred after the reporting period

OTHER EVENTS

- InDex announced that alternatives for the company's future are being evaluated with the aim to maximize shareholder value
- Cash balance per June 30, 2024 is expected to amount to SEK 200 million when all closing costs have been settled

InDex Pharmaceuticals has a vision to help patients with immunological diseases where there is a high unmet medical need. The drug candidate cobitolimod was being evaluated in the phase III program CONCLUDE for moderate to severe left-sided ulcerative colitis – a debilitating, chronic inflammation of the large intestine. InDex Pharmaceuticals is based in Stockholm, Sweden. The company's shares (ticker INDEX) are traded on Nasdaq First North Growth Market Stockholm.

CEO statement

I can safely say that it's the beginning of the end of InDex as you know it. During the course of this quarter, we have announced that the company will discontinue development of the drug candidate cobitolimod. After an extremely engaged process we have decided on the next step for the company, which entails a reverse merger, as the most promising way forward for shareholders.

An overwhelming amount of interest has been shown in InDex given our expected remaining cash balance, public listing and impressive shareholder base. The current financing climate has undoubtedly contributed to the amount of activity. The process of evaluating all options has been thorough and interesting. We have worked in a structured manner and narrowed down our options from over 35 to one preferred deal. We are now in the midst of financial and legal reviews as well as ensuring that the transaction is achievable and hope to be able to present the outlines of deal terms ahead of our Annual General Meeting taking place on May 7. The final decision on the company's future will be taken by shareholders at a subsequent Extraordinary General Meeting.

The termination of all obligations is moving along at speed. The closure of our phase III program is running per plan and in as cost-efficient ways as possible. The departure of the company's last two employees (myself and my 'brother in arms' Johan Giléus) has been announced.

The dialogue between our largest shareholders, the Board and Management has been very productive and supportive all along. I also want to thank all advisors and our speaking partners on the other side of the potential deal for very valuable and speedy discussions.

Jenny Sundqvist, CEO



Business overview

INTRODUCTION

InDex Pharmaceuticals has a vision to help patients with immunological diseases where there is a high unmet medical need. The drug candidate cobitolimod was being evaluated in the phase III program CONCLUDE for moderate to severe left-sided ulcerative colitis – a debilitating, chronic inflammation of the large intestine. InDex announced on February 26, 2024 that the development of cobitolimod will be discontinued, as data from Induction Study 1 of the phase III program have not shown any results justifying continued development. InDex Pharmaceuticals is based in Stockholm, Sweden. The company’s shares (ticker INDEX) are traded on Nasdaq First North Growth Market Stockholm.

COBITOLIMOD

Ulcerative colitis is a chronic disease with no cure caused by inflammation of the colon. Today, about two million people in Europe and the US suffer from ulcerative colitis, a disease that has a major impact on the patient’s quality of life. Ulcerative colitis is characterised by blood- and mucus-mixed diarrhea, frequent stools, pain, fever, weight loss, and anemia. Patients also have a significantly elevated risk of developing colon cancer. Most commonly, ulcerative colitis debuts between 15 and 30 years of age and most patients require lifelong medication. Despite the currently available drugs, many patients with ulcerative colitis still suffer from severe symptoms, and current therapies can cause serious side effects. For those patients who do not respond to medical treatment, the last resort is to surgically remove the colon.

Cobitolimod is a so-called Toll-like receptor 9 (TLR9) agonist that is administered directly to the inflamed colon using an enema without systemic exposure and off-target effects.

Phase III program – CONCLUDE

Based on regulatory guidance InDex was conducting a phase III program that was planned to consist of two sequential induction studies which both fed into a maintenance study, in which patients who had responded to cobitolimod as induction therapy, received maintenance treatment with cobitolimod or placebo.

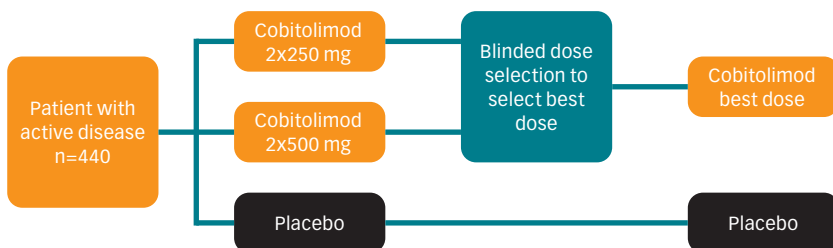
Induction Study 1 of the CONCLUDE program was planned to include approximately 440 patients and was being conducted in 30 countries in Europe, the Americas and the Asia-Pacific region. Induction Study 1 was a randomised, double-blind, placebo-controlled, phase III study to evaluate cobitolimod as a novel treatment for patients with moderate to severe left-sided ulcerative colitis. The primary endpoint was clinical remission at week 6. In the first part of the study, two doses of cobitolimod were evaluated in an adaptive study design, 250 mg x 2, which was the highest dose and the dose that showed the best efficacy in the phase IIb study CONDUCT, and a higher dose of 500 mg x 2. After the first 30% of the total 440 patients had completed Induction Study 1, a dose selection analysis was performed by an independent Data Monitoring Committee (DMC) consisting of external and independent experts in the field. As part of the analysis, the DMC performed a safety review and a futility assessment based on the primary endpoint clinical remission at week 6. A futility assessment is performed to stop a trial if the chance for a significant primary endpoint at the end of the study is too low. The DMC advised that cobitolimod was unlikely to meet the primary endpoint upon completion of Induction Study 1.

InDex discontinued the phase III program according to DMC’s recommendation. The advice to stop the study was not based on safety concerns.

After a thorough analysis of the data, including relevant subgroup analyses, InDex decided to discontinue the development of cobitolimod as the results do not support further development.

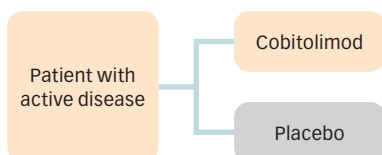
PHASE III DESIGN

Induction Study 1 – adaptive design, 6 weeks/patient (stopped)



- Moderate to severe, left-sided ulcerative colitis
- Have failed conventional treatment and/or biologics/ JAK inhibitor
- Dosing at week 0 and 3
- Primary endpoint clinical remission at week 6

Induction Study 2



Maintenance Study, 46 weeks/patient (stopped)



* Induction Study 2 was planned to be initiated upon a positive result in Induction Study 1.

SIGNIFICANT EVENTS DURING THE QUARTER

- InDex announced on January 19, 2024 that remaining commitments for the company had been quantified, and that the expected cash balance per March 31, 2024, would amount to SEK 180-190 million. (see under Other events for an update per June 30, 2024).
- InDex announced on February 26, 2024 that the company will discontinue development of their drug candidate cobitolimod. Thorough analysis of the data from Induction Study 1 of the phase III program CONCLUDE has not provided any results justifying continued development.
- InDex announced on March 26, 2024 that CEO Jenny Sundqvist and CFO & Deputy CEO Johan Giléus will leave the company per September 26, 2024. They will both remain in their positions and at the company's disposal until their last day of employment.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- No significant events have occurred after the reporting period.

OTHER EVENTS

- InDex announced on February 26, 2024 that, in light of the announcement that the development of cobitolimod is discontinued, the company is evaluating other alternatives to maximize shareholder value. Alternatives such as merger and reverse merger are weighed against company liquidation. InDex will not proceed with development of any of its other compounds.
- Cash balance per June 30, 2024 is expected to amount to SEK 200 million when all closing costs have been settled.

Financial overview

FINANCIAL SUMMARY FOR THE GROUP

Because of the nature of the business operations, there may be large fluctuations between different periods.

FINANCIAL DEVELOPMENT DURING JANUARY-MARCH 2024

Net sales for the period January to March 2024 amounted to SEK 10.8 (0.0) million. Net sales originate from the upfront fee from Viatrix Japan related to the out-licensing of cobitolimod in Japan. For additional information see Note 5.

Other operating income SEK 9.5 (0.0) million refers foreign exchange gains related to cash and cash equivalents in foreign currency.

Operating expenses for the period amounted to SEK 25.7 (44.3) million. The operating expenses during the period refer primarily to closing costs for phase III and general operating expenses.

Other operating expenses SEK 0.0 (2.2) million refers to foreign exchange losses related to cash and cash equivalents in foreign currency.

Costs for the personnel during the reporting period amounted to SEK 3.8 (2.2) million. The increase is mainly related to additional employees and general salary increases.

InDex has during the period accrued interest income of SEK 2.3 (2.5) million related to cash and cash equivalents in foreign currency.

Cash and cash equivalents as of March 31, 2024 amounted to SEK 269.8 million, which is SEK 24.5 million lower than as of December 31, 2023.

FINANCIAL SUMMARY AFTER THE REPORTING PERIOD

The Board assess that there is no impact on the company's financial position as of March 31, 2024, due to events after the reporting period.

EXPECTED FUTURE DEVELOPMENT

It is the assessment of the Board that InDex has enough capital to finance all financial commitments InDex has for the coming 12-month period. Cash balance per June 30, 2024 is expected to amount to SEK 200 million when all closing costs have been settled.

PARENT COMPANY

The net sales amounted to SEK 3.6 (2.6) million during the period January to March 2024 and consisted of invoicing of group wide expenses to InDex Pharmaceuticals AB.

The operating expenses amounted to SEK 5.7 (4.1) million and consisted of personnel expenses and other operating expenses relating to the administration of InDex.

To reset the equity in the subsidiary InDex Pharmaceuticals AB, InDex Pharmaceuticals Holding AB provided on March 31, 2024 a shareholder contribution of SEK 15 million. A write-down of shares in subsidiaries were made simultaneously.

FINANCIAL SUMMARY

SEK million	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
Net sales	10.8	–	97.5
Operating result	–5.3	–44.3	–107.4
Result after tax	–3.0	–41.8	–95.3
Earnings per share before and after dilution, SEK	–0.01	–0.08	–0.18
Cash flow from operating activities	–33.7	–23.1	–38.0
Cash and cash equivalents at the end of the period	269.8	319.4	294.3

Note: Earnings per share – Net result divided by weighted number of shares.

Other information

EMPLOYEES

The number of employees at the end of the period was 4 (5).

THE SHARE

The share is listed on Nasdaq First North Growth Market Stockholm since October 11, 2016.

LARGEST SHAREHOLDERS PER MARCH 31, 2024

	Number of shares	Percentage of capital and votes, %
Linc AB	69,920,567	13.1
Fjärde AP-fonden	52,314,074	9.8
HBM Healthcare Investments	49,730,558	9.3
Avanza Pension	27,282,793	5.1
SEB-Stiftelsen	19,047,617	3.6
SEB Life International	18,775,184	3.5
Nordnet Pensionsförsäkring	16,137,786	3.0
Stiftelsen Industrifonden	12,865,296	2.4
Swedbank försäkring AB	11,650,330	2.2
Staffan Rasjö	10,363,353	2.0
S-E-Bankens Utvecklingsstiftelse	10,000,000	1.9
Originat AB	7,000,000	1.3
Ponderus Invest AB	6,200,000	1.2
Nordica Life	5,000,000	0.9
Edward Thornberg	4,620,544	0.9
Other	211,779,458	39.8
Total	532,687,650	100.0

INCENTIVE PROGRAMMES

LTIP 2021

At the annual general meeting held on June 3, 2021 it was resolved to issue 7,200,000 employee stock options to transfer to employees and other key persons within InDex. In addition, 2,262,240 warrants were issued to cover potential cash flow effects from social security costs arising from allotted employee stock options. The options have a strike price of SEK 4 per share and can be exercised during July-December 2024. In July 2021 the Board allocated 5,731,800 options to employees and other key persons free of charge. A total of 13 employees and other key persons were offered and subsequently subscribed for their allotted employee stock options. In October 2021 the Board allocated an additional 676,000 employee stock options to two new employees.

The total number of outstanding employee stock options to employees and other key persons within InDex amounts 3,517,867 at end of the reporting period. Remaining employee stock options have been terminated.

LTIP 2021 is accounted for in accordance with IFRS 2 – Share-based payments. IFRS 2 stipulates that the employee stock options should be expensed as personnel costs over the vesting period. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. Social security costs will in accordance with UFR 7 be expensed in the income statement during the vesting period.

LTIP 2022

At the annual general meeting held on June 1, 2022 it was resolved to issue 8,000,000 employee stock options to transfer to employees and other key persons within InDex. In addition, 2,513,600 warrants were issued to cover potential cash flow effects from social security costs arising from allotted employee stock options. The options have a strike price of SEK 4 per share and can be exercised during July-December 2025. In July 2022 the Board allocated 5,500,200 options to employees and other key persons free of charge. A total of 15 employees and other key persons were offered and subsequently subscribed for their allotted employee stock options. In December 2022 the Board allocated an additional 1,930,700 employee stock options to the incoming CEO, which were subscribed in January 2023.

The total number of outstanding employee stock options to employees and other key persons within InDex amounts 5,982,600 at end of the reporting period. Remaining employee stock options have been terminated.

LTIP 2022 is accounted for in accordance with IFRS 2 – Share-based payments. IFRS 2 stipulates that the employee stock options should be expensed as personnel costs over the vesting period. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. Social security costs will in accordance with UFR 7 be expensed in the income statement during the vesting period.

LTIP 2023

At the annual general meeting held on May 24, 2023 it was resolved to issue 8,000,000 employee stock options to transfer to employees and other key persons within InDex. In addition, 2,513,600 warrants were issued to cover potential cash flow effects from social security costs arising from allotted employee stock options. The options have a strike price of SEK 4 per share and can be exercised during July-December 2026. In July 2023 the Board allocated 6,658,600 options to employees and other key persons free of charge. A total of 15 employees and other key persons were offered and subsequently subscribed for their allotted employee stock options.

The remaining employee stock options not allocated during 2023 will be terminated together with the employee stock options not to be vested.

LTIP 2023 is accounted for in accordance with IFRS 2 – Share-based payments. IFRS 2 stipulates that the employee stock options should be expensed as personnel costs over the vesting period. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. Social security costs will in accordance with UFR 7 be expensed in the income statement during the vesting period.

REVIEW BY THE AUDITOR

This interim report has not been limited reviewed by the company's auditor.

FINANCIAL CALENDER

Interim report Q2	August 20, 2024
Interim report Q3	November 19, 2024
Year-end report Q4	February 20, 2025

Stockholm, April 26, 2024
Jenny Sundqvist, CEO

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The information in this interim report is information that InDex Pharmaceuticals Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by the contact person stated above on April 26, 2024 at 8:00 CET.

This is an English translation of the Swedish interim report. In case of discrepancies between the English translation and the Swedish report, the Swedish report shall prevail.

Condensed consolidated statement of total comprehensive income

SEKK	Note	Jan 1-Mar 31, 2024	Jan 1-Mar 31, 2023	Full year 2023
Revenues				
Net sales		10,834	–	97,505
Other operating income	5	9,515	–	–
Total revenues		20,349	–	97,505
Operating expenses				
Raw material and consumables		–259	–388	–4,158
Other external expenses		–21,250	–39,367	–173,256
Personnel costs		–3,851	–2,175	–14,583
Depreciations/amortisations of tangible fixed assets and right-of-use assets		–304	–304	–1,216
Other operating expenses	5	–	–2,022	–11,659
Total expenses		–25,664	–44,256	–204,872
Operating loss		–5,315	–44,256	–107,367
Result from financial investments				
Financial income		2,350	2,524	12,329
Financial expenses		–45	–64	–227
Financial items – net		2,305	2,460	12,102
Earnings before tax		–3,010	–41,796	–95,265
Taxes for the period		–	–	–
LOSS FOR THE PERIOD		–3,010	–41,796	–95,265

Earnings per share, based on the net result attributable to the shareholders of the parent company:

SEK	Note	Jan 1-Mar 31, 2024	Jan 1-Mar 31, 2023	Full year 2023
Earnings per share before and after dilution	7	–0.01	–0.08	–0.18

In the group there are no items reported in other comprehensive income. So total comprehensive income is consistent with profit/loss for the period. The profit/loss for the period and total comprehensive income are entirely attributable to the equity holders of the parent company.

Condensed consolidated balance sheet

SEKK	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
ASSETS			
Fixed assets			
<i>Tangible fixed assets</i>			
Equipment, tools and installations	227	409	273
Total tangible fixed assets	227	409	273
Right-of-use assets	2,242	3,276	2,500
<i>Financial assets</i>			
Other financial assets	–	1	1
Total financial assets	–	1	1
Total fixed assets	2,469	3,686	2,774
Current assets			
<i>Current receivables</i>			
Other current receivables	1,592	1,472	1,605
Prepaid expenses and accrued income	7,015	3,390	743
Cash and cash equivalents	269,824	319,449	294,267
Total current receivables	278,431	324,311	296,615
Total current assets	278,431	324,311	296,615
TOTAL ASSETS	280,900	327,997	299,389
EQUITY AND LIABILITIES			
Equity			
Share capital	10,654	10,654	10,654
Additional paid-in capital	863,983	863,779	863,878
Retained earnings (including profit/loss for the period)	–638,656	–582,177	–635,646
Total equity attributable to the shareholders of the parent company	235,981	292,256	238,885
Provisions			
Other provisions	0	2	0
Total provisions	0	2	0
Liabilities			
<i>Non-current liabilities</i>			
Non-current lease liabilities	1,328	2,312	1,598
Total non-current liabilities	1,328	2,312	1,598
<i>Current liabilities</i>			
Current lease liabilities	720	714	700
Account payables	39,414	12,806	6,744
Other current liabilities	993	768	1,067
Accrued expenses and deferred income	2,464	19,139	50,395
Total current liabilities	43,591	33,427	58,906
Total liabilities	44,919	35,739	60,504
TOTAL EQUITY AND LIABILITIES	280,900	327,997	299,389

Condensed consolidated statement of changes in equity

SEKK	Equity attributable to the equity holders of the parent company			
	Share capital	Additional paid in capital	Retained earnings, including loss for the period	Total equity
Opening balance, January 1, 2023	10,654	863,686	-540,381	333,959
Profit/loss for the period equal to total comprehensive income	-	-	-41,796	-41,796
Total comprehensive income for the year	-	-	-41,796	-41,796
Transactions with shareholders of the parent company:				
Value of the employees' employment	-	93	-	93
Total transactions with shareholders of the parent company	-	93	-	93
Closing balance, March 31, 2023	10,654	863,779	582,177	292,256
Opening balance, January 1, 2023	10,654	863,686	-540,381	333,959
Profit/loss for the period equal to total comprehensive income	-	-	-95,265	-95,265
Total comprehensive income for the year	-	-	-95,265	-95,265
Transactions with shareholders of the parent company:				
Value of the employees' employment	-	192	-	192
Total transactions with shareholders of the parent company	-	192	-	192
Closing balance, December 31, 2023	10,654	863,878	-635,646	238,885
Opening balance, January 1, 2024	10,654	863,878	-635,646	238,885
Profit/loss for the period equal to total comprehensive income	-	-	-3,010	-3,010
Total comprehensive income for the year	-	-	-3,010	-3,010
Transactions with shareholders of the parent company:				
Value of the employees' employment	-	105	-	105
Total transactions with shareholders of the parent company	-	105	-	105
Closing balance, March 31, 2024	10,654	863,983	-638,656	235,981

Condensed consolidated cash flow

SEKK	Jan 1-Mar 31, 2024	Jan 1-Mar 31, 2023	Full year 2023
Operating activities			
Operating result	-5,315	-44,256	-107,367
<i>Adjustments for non-cash items:</i>			
Depreciations/amortisations	304	304	1,216
Interest paid and received	2,305	2,460	12,102
Income tax paid	-	-	-
Other adjustments	-9,409	2,101	11,833
Cash flow from operating activities before changes in working capital	-12,115	-39,391	-82,216
Changes in working capital			
Decrease/Increase of current receivables	-6,259	-2,447	68
Decrease/Increase of current liabilities	-15,313	18,692	44,171
Cash flow from changes in working capital	-21,572	16,245	44,239
Cash flow from operating activities	-33,687	-23,146	-37,977
Investing activities			
Investments in tangible assets	-	-	-
Cash flow from investing activities	-	-	-
Financing activities			
Amortisation of lease liabilities	-271	-314	-1,028
Issues of shares, net after transaction costs	-	-	-
Cash flow from financing activities	-271	-314	-1,028
Cash flow for the period	-33,958	-23,460	-39,005
Decrease/increase of cash and cash equivalents			
Cash and cash equivalents at the beginning of the period	294,267	344,931	344,931
Currency translation difference in cash and cash equivalents	9,515	-2,022	-11,659
Cash and cash equivalents at the end of the period	269,824	319,449	294,267

Statement of comprehensive income for the parent company

SEKK	Jan 1-Mar 31, 2024	Jan 1-Mar 31, 2023	Full year 2023
Revenues			
Net sales	3,625	2,620	13,392
Total revenues	3,625	2,620	13,392
Operating expenses			
Other external expenses	-3,680	-2,954	-12,792
Personnel costs	-1,986	-1,108	-7,882
Depreciations/amortisations of tangible fixed assets and right-of-use assets	-45	-45	-181
Total expenses	-5,711	-4,107	-20,855
Operating loss	-2,086	-1,487	-7,463
Net financial items			
Write-down of financial assets	-15,058	-72	-291,258
Financial costs	-	-	16
Financial income	254	3	0
Total net financial items	-14,804	-69	-291,242
Profit or loss before tax	-16,890	-1,556	-298,705
Taxes for the period	-	-	-
PROFIT OR LOSS FOR THE PERIOD	-16,890	-1,556	-298,705

In the parent company there are no items reported in other comprehensive income. So total comprehensive income is consistent with profit/loss for the period.

Balance sheet for the parent company

SEKK	Mar 31, 2024	Mar 31, 2023	Dec 31, 2023
ASSETS			
Fixed assets			
<i>Tangible fixed assets</i>			
Equipment, tools and installations	227	409	273
Total tangible fixed assets	227	409	273
<i>Financial assets</i>			
Shares in subsidiary	5,872	247,030	5,872
Total financial assets	5,872	247,030	5,872
Total fixed assets	6,099	247,439	6,144
Current assets			
<i>Current receivables</i>			
Intercompany receivables	2,215	255,810	213,462
Other receivables	104	586	229
Prepaid expenses and accrued income	1,057	914	666
Total current receivables	3,376	257,310	214,357
Cash and cash equivalents	215,260	33,222	21,939
Total current assets	218,635	290,532	236,296
TOTAL ASSETS	224,734	537,971	242,440
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	10,654	10,654	10,654
Total restricted equity	10,654	10,654	10,654
<i>Non-restricted equity</i>			
Share premium reserve	1,109,700	1,109,495	1,109,593
Retained earnings	-881,372	-582,666	-582,666
Profit or loss for the period	-16,890	-1,556	-298,705
Total non-restricted equity	211,438	525,273	228,222
Total equity	222,092	535,927	238,876
Provisions			
Other provisions	0	1	0
Total provisions	0	1	0
Liabilities			
<i>Current liabilities</i>			
Accounts payable	907	645	317
Other liabilities	685	667	885
Accrued expenses and deferred income	1,050	731	2,362
Total current liabilities	2,642	2,043	3,564
TOTAL EQUITY AND LIABILITIES	224,734	537,971	242,400

Statement of change in equity parent company

SEKK	Restricted equity	Non-restricted equity			Total equity
	Share capital	Share premium	Retained earnings	Net result	
Opening balance, January 1, 2023	10,654	1,109,401	-576,560	-6,106	537,389
Disposition of last year's result	-	-	-6,106	6,106	-
Net results and total comprehensive income for the year	-	-	-	-1,556	-1,556
Total comprehensive income for the year	-	-	-	-1,556	-1,556
Transactions with shareholders of the parent company:					
Value of the employees' employment	-	94	-	-	94
Total transactions with shareholders of the parent company	-	94	-	-	94
Closing balance, March 31, 2023	10,654	1,109,495	-582,666	-1,556	535,927
Opening balance, January 1, 2023	10,654	1,109,401	-576,560	-6,106	537,389
Disposition of last year's result	-	-	-6,106	6,106	-
Net results and total comprehensive income for the year	-	-	-	-298,705	-298,705
Total comprehensive income for the year	-	-	-	-298,705	-298,705
Transactions with shareholders of the parent company:					
Value of the employees' employment	-	192	-	-	192
Total transactions with shareholders of the parent company	-	192	-	-	192
Closing balance, December 31, 2023	10,654	1,109,593	-582,667	-298,705	238,876
Opening balance, January 1, 2024	10,654	1,109,593	-582,667	-298,705	238,876
Disposition of last year's result	-	-	-298,705	298,705	-
Net results and total comprehensive income for the year	-	-	-	-16,890	-16,890
Total comprehensive income for the year	10,654	1,109,593	-881,372	-16,890	-16,890
Transactions with shareholders of the parent company:					
Value of the employees' employment	-	106	-	-	106
Total transactions with shareholders of the parent company	-	106	-	-	106
Closing balance, March 31, 2024	10,654	1,109,700	-881,372	-16,890	222,092

Statement of cash flow for the parent company

SEKK	Jan 1-Mar 31, 2024	Jan 1-Mar 31, 2023	Full year 2023
Operating activities			
Profit or loss before tax	-16,890	-1,556	-298,705
<i>Adjustments for non-cash items:</i>			
Write downs	15,058	72	291,258
Income tax paid	-	-	-
Depreciations/amortisations	45	45	181
Other adjustments	106	88	185
Cash flow from operating activities before changes in working capital	-1,681	-1,351	-7,081
Changes in working capital			
Changes in current receivables	210,981	-7,982	34,972
Changes in current liabilities	-921	137	1,658
Cash flow from changes in working capital	210,060	-7,845	36,630
Cash flow from operating activities	208,379	-9,196	29,549
Investing activities			
Shareholder's contribution	-15,058	-72	-50,100
Investment of leases	-	-	-
Cash flow from investing activities	-15,058	-72	-50,100
Cash flow for the period	193,321	-9,268	-20,551
Decrease/increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period	21,939	42,490	42,490
Cash and cash equivalents at the end of the period	215,260	33,222	21,939

Development of parent company's share capital

SEK Date	Transaction	Change in share capital	Total share capital	Number of new shares	Total number of shares	Paid in amount
Jun 27, 2016	Inception of the company	500,000	500,000	500,000	500,000	500,000
Sep 7, 2016	Split of shares	–	500,000	45,500,000	50,000,000	–
Sep 7, 2016	Share issue in-kind	601,345	1,101,345	60,134,466	110,134,466	–
Sep 7, 2016	Reduction of number of shares	–500,000	601,345	–50,000,000	60,134,466	–
Sep 7, 2016	Share issue	–	601,345	2	60,134,468	–
Sep 8, 2016	Reversed split of shares	–	601,345	–30,067,234	30,067,234	–
Oct 6, 2016	Share issue for pref. shares	52,685	654,030	2,634,279	32,701,513	52,685
Oct 6, 2016	Share issue	560,479	1,214,509	28,023,969	60,725,482	235,401,340
Oct 12, 2016	Share issue	14,305	1,228,814	715,250	61,440,732	6,008,100
Oct 25, 2016	Share issue	17,969	1,246,783	898,421	62,339,153	7,546,736
Nov 14, 2016	Share issue	1,895	1,248,678	94,725	62,433,878	795,690
Dec 29, 2016	Share issue in-kind	1,300	1,249,978	65,015	62,498,893	–
Jan 13, 2017	Share issue	591	1,250,569	29,540	62,528,433	248,136
Oct 23, 2018	Share issue	125,057	1,375,626	6,252,842	68,781,275	37,642,109
Sep 23, 2019	Share issue	275,125	1,650,751	13,756,255	82,537,530	96,018,660
Oct 10, 2019	Share issue	124,874	1,775,625	6,243,745	88,781,275	43,581,340
Feb 11, 2021	Share issue	8,878,127	10,653,753	443,906,375	532,687,650	532,687,650

Notes

NOTE 1 GENERAL INFORMATION

This interim report includes the parent company InDex Pharmaceuticals Holding AB (publ), Corp. Reg. No. 559067-6820, the subsidiary InDex Pharmaceuticals AB and the sub-subsidiary InDex Diagnostics AB ('InDex', 'the company' or 'the group'). InDex Pharmaceuticals Holding AB (publ) is a parent company registered in Sweden with its registered office in Stockholm with the address Berzelius väg 13, 171 65 Solna, Sweden.

Unless otherwise stated, all amounts are in thousands of Swedish kronor (SEKK). Figures in parentheses refer to the comparative period.

NOTE 2 ACCOUNTING POLICIES

InDex applies International Financial Reporting Standards (IFRS) as adopted by the EU. This report is prepared in accordance with IAS 34 *Interim Financial Reporting* and the *Annual Accounts Act*. The parent company prepares financial reports in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 *Accounting for Legal Entities* and the *Swedish Annual Accounts Act*.

Applied accounting principles and calculation methods are the same as in the annual report for 2023.

None of the IFRS or IFRIC interpretations that have yet to come into legal effect are expected to have any significant impact on InDex.

NOTE 3 RISKS AND UNCERTAINTIES

OPERATIONAL RISK

InDex discontinued the phase III program in November 2023 due to negative futility assessment. The previously disclosed key risks and uncertainties have thereby been realised.

NOTE 4 IMPORTANT ESTIMATES AND JUDGEMENTS

The group makes estimates and assumptions about the future. The resulting accounting estimates will, by definition, rarely correspond to the actual results. The assumptions and other sources of estimation uncertainty where there is a significant risk of material adjustment to the carrying amounts of assets or liabilities within the next financial year are outlined below.

(i) Accrued costs for closing clinical trials

At each balance sheet date, an accrual is made to quantify the proportion of the total cost to close a clinical trial that is related to the reporting period. The accrual is based on external parameters coupled with management's estimate of percentage of completion.

(ii) Tax loss carry-forwards

Deferred tax assets related to loss carry-forwards or other future tax deductions are recognised to the extent it is probable that the deduction can be offset against future taxable profits. The Board assesses that it is unlikely the loss carry-forwards can be utilized going forward and consequently no deferred tax asset has been recognised.

NOTE 5 REVENUES FROM CONTRACTS WITH CUSTOMERS

InDex net sales for the period January to December 2023 consisted of up-front fee from Viartis Japan for the out-licensing of the commercial rights to cobiltolimod in Japan.

Revenue for out-licensing is reported when control over the intangible asset is transferred to the counterparty occurs, which was at the time when the agreement with Viartis Japan was signed, i.e. May 31, 2023. Variable remuneration (for example, attributable to future milestones regarding completed development step or regulatory approval) is recognized when there is no longer any significant uncertainty as to whether these will occur.

InDex had identified one specific performance commitment under the license agreement related to the upfront fee of USD 10m – a pharmacokinetic study (PK study) in Japan. The development of cobiltolimod has been terminated and hence no performance commitment remains. The residual has therefore been recognised as revenue.

NOTE 6 OTHER OPERATING INCOME / OTHER OPERATING EXPENSES

	Jan-Mar 2024
SEKK	
Revaluation of cash and cash equivalents in foreign currency at the closing-day rate*	9,515
Other operating income	9,515
Revaluation of cash and cash equivalents in foreign currency at the closing-day rate*	–
Other operating expenses	–

	Jan-Mar 2023	Apr-Jun 2023	Jul-Sep 2023	Oct-Dec 2023	Full year 2023
SEKK					
Revaluation of cash and cash equivalents in foreign currency at the closing-day rate*	–	13,243	–	–	13,243
Other operating income	–	13,243	–	–	13,243
Revaluation of cash and cash equivalents in foreign currency at the closing-day rate*	–2,022	–	–701	–22,181	–24,904
Other operating expenses	–2,022	–	–701	–22,181	–24,904

* Revaluation of cash and cash equivalents at closing-day rate has been reported net in the accumulated period.

NOTE 6 RELATED PARTY TRANSACTIONS

No related party transactions have occurred from a group perspective.

InDex Pharmaceuticals Holding AB invoices InDex Pharmaceuticals AB for overall group functions.

NOTE 7 EARNINGS PER SHARE

Earnings per share is calculated by dividing the result for the period by the weighted average number of outstanding ordinary shares during the period.

InDex had potential ordinary shares in the form of warrants. However, these did not give rise to any dilution effect in 2023 or 2024 as a conversion to ordinary shares decreases loss per share.

	Jan-Mar 2024	Jan-Mar 2023	Full year 2023
SEK million			
Net result attributable to the equity shareholders of the parent company	–3.0	–41.8	–95.3
Total:	–3.0	–41.8	–95.3
Weighted average number of shares (thousands)	532,688	532,688	532,688
Earnings per share, SEK	–0.01	–0.08	–0.18