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The following definitions have been used in this annual report – "the company", "the group" or "InDex" for the operations conducted in InDex Pharmaceuticals Holding AB together with the subsidiaries InDex Pharmaceuticals AB and InDex Diagnostics AB.

CEO statement

This year has provided us with all the highs and lows you can experience in pharmaceutical development. It has certainly been an eventful year. Starting out with welcoming new experts to the team, being able to present a positive PK study, signing a licensing deal for commercializing cobitolimod in Japan, getting a number of key patents approved. Only to end the year with discontinuing our phase III program due to lack of efficacy as shown in the futility analysis.

In early 2024, we communicated that the cobitolimod development program was discontinued, given that analysis of the data available from the phase III program to date did not reveal any areas worth exploring. All subgroup analyses confirmed that efficacy of cobitolimod was similar to placebo.

Possible alternatives forward for InDex as a company include a reverse merger, formal merger, public takeover or liquidation. Any option other than liquidation has to provide more value to shareholders than what a liquidation would yield. In addition to our cash balance that will remain after the phase III program is fully closed, our public listing on NASDAQ First North Growth Market Stockholm also constitutes a value in a possible transaction. Costs related to keeping our listing are estimated to SEK 0.6-0.8 million per month and will remain as long as we are a publicly traded company.

We have looked at around 30 candidates in considering a possible deal, narrowed it down to 7 and then further to 3. We are now undertaking in-depth analysis of these three candidates to evaluate if one of them proves to be an attractive option. The in-depth analysis will be completed by end of March. If given a go-ahead by the Board of Directors to proceed with one candidate, a due diligence process and negotiations will start. If the outcome of this last step is positive, the final decision on what path to proceed with will be taken by shareholders voting at a general meeting. The exception to this chain of events is a public takeover, where the public company will approach shareholders directly with an offer. In that case, timelines are dictated by the bidding company.

Through it all, I hope that you have recognized our efforts to provide you as an investor with transparent and clear communication. We're now working diligently with evaluation of all options to provide the best value possible for shareholders. We recognize that whatever path forward will be recommended, it may not be ideal for everyone. Reasons for having invested in InDex vary from persons who have near and dear ones who suffer from ulcerative colitis, to persons committed to cutting-edge research, to persons focusing on financial gain. Therefore, the preference for how we should move forward is likely to differ from person to person.

On a personal note, InDex did not manage to provide ulcerative colitis patients with a better treatment option, but I truly hope that another company manages to do so, because patients need it.

Jenny Sundqvist, CEO



Directors' report

InDex Pharmaceuticals Holding AB (publ) Corp. Reg. No. 559067-6820

The Board and the CEO of InDex Pharmaceuticals Holding AB hereby issue the annual report and the consolidated financial statements for 2023.

INTRODUCTION

This annual report includes the group ("the group", "the company" or "InDex"), i.e. InDex Pharmaceuticals Holding AB, Corp. Reg. No 559067-6820, the subsidiaries InDex Pharmaceuticals AB, Corp. Reg. No. 556704-5140 and InDex Diagnostics AB, Corp. Reg. No. 556602-2751. The employees are employed, and the consultants are engaged, in the parent company or the subsidiary InDex Pharmaceuticals AB depending on the type of work performed. Invoicing of services between the group companies is based on utilisation. The company's share is traded on Nasdaq First North Growth Market Stockholm since October 11, 2016. Redeye AB is the company's Certified Adviser. The operations are conducted at Karolinska Institutet campus, with postal address Berzelius väg 13, 171 65 Solna.

InDex has a vision to help patients with immunological diseases where there is a high unmet medical need. 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.

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.

Cobitolimod met the primary endpoint in the phase IIb study CONDUCT. Cobitolimod was being evaluated in the pivotal phase III program CONCLUDE as a novel treatment for moderate to severe left-sided ulcerative colitis.

Phase III program – CONCLUDE

Based on regulatory guidance InDex was conducting a phase III program consisting 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 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.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

- InDex announced on January 27, 2023 an update in the timing of the dose selection in Induction Study 1 of the ongoing phase III program CONCLUDE with the drug candidate cobitolimod. The outcome of the dose selection is expected to be available Q4 2023.
- InDex announced on May 31, 2023 that a license agreement has been signed with Viatris Pharmaceutical Japan Inc. to register and commercialise cobitolimod in Japan for the treatment of ulcerative colitis. The agreement including milestones was worth up to USD 50 million, excluding royalties.
- InDex announced on August 2, 2023 that a new formulation patent for the drug candidate cobitolimod has been granted by the European Patent Office. The patent provides protection of the enema formulation of cobitolimod, that was under evaluation in the phase III program CONCLUDE. The patent will provide an exclusivity period until September 2042, with the possibility of up to five years extension upon market approval.
- InDex announced on November 21, 2023 that that an independent Data Monitoring Committee (DMC) advises that cobitolimod was unlikely to meet the primary endpoint upon completion of Induction Study 1. The advice to stop the study was not based on safety concerns.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- 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, amounts to SEK 180-190 million.
- InDex announced on February 26, 2024 that the company discontinues 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 February 26, 2024 that the company is evaluating 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.

OTHER EVENTS

- InDex attended the annual congress of the European Crohn's and Colitis Organisation (ECCO), March 1-4, 2023 in Copenhagen. ECCO is the largest forum for specialists in inflammatory bowel disease globally.
- InDex announces on March 15, 2023 positive results from a pharmacokinetic (PK) study with cobitolimod in patients with moderate to severe ulcerative colitis. The systemic uptake was limited both for patients with active disease and in clinical remission. For the first time patients have been treated with doses of 500 mg, and in line with previous studies cobitolimod was well tolerated.
- The annual general meeting in InDex Pharmaceuticals Holding AB was held on May 24, 2023. Board members Wenche Rolfsen (also chairman), Karin Bernadotte af Wisborg, Marlene Forsell, Anna-Kajja Grönblad, Uli Hacksell and Lennart Hansson were re-elected for the time until the end of the next annual general meeting. The annual general meeting also resolved, in accordance with the Board's proposal, on the implementation of a long-term incentive program by way of granting employee stock options to senior executives and other key persons at InDex.
- InDex announced on October 11, 2023 that 30% of the patients had completed the final visit in Induction Study 1 of the phase III program CONCLUDE.
- InDex attended the United European Gastroenterology Week (UEGW), one of the world's leading gastroenterology congresses. UEGW took place October 14-17, 2023 in Copenhagen.
- InDex announced on October 20, 2023 that a new method of use patent for the drug candidate cobitolimod had been granted by the Korean Intellectual Property Office.

CORPORATE STRUCTURE

InDex Pharmaceuticals Holding AB was incepted on December 14, 2015, and was registered with the Swedish Companies Registration Office on June 27, 2016. At an Extraordinary General Meeting held on August 25, 2016, it was resolved, and on September 7, 2016 an issue for non-cash consideration was registered at the Swedish Companies Registration Office, whereby the shareholders of InDex Pharmaceuticals AB transferred 99.76 percent (on December 31, 2023 99.99 percent have been transferred) of the shares in the company in exchange for new shares in the new parent company, InDex Pharmaceuticals Holding AB. The intention is that also the remaining shares in InDex Pharmaceuticals AB will be exchanged for shares in the parent company.

FINANCIAL DEVELOPMENT

CONSOLIDATED FINANCIAL SUMMARY					
SEK million	2023	2022	2021	2020	2019
Net sales	97.5	–	–	0.0	0.1
Operating loss	–107.4	–103.2	–102.9	–57.3	–87.7
Result after tax	–95.3	–100.3	–103.0	–57.4	–87.8
Earnings per share before and after dilution, SEK ¹	–0.18	–0.19	–0.21	–0.24	–0.45
Cash flow from operating activities	–38.0	–129.4	–124.1	–70.6	–85.1
Cash and cash equivalents at the year-end	294.3	344.9	428.4	53.8	126.8
Weighted average number of shares (thousands) ¹	532,688	532,688	483,365	236,750	197,001
Number of shares at the year-end (thousands) ¹	532,688	532,688	532,688	236,750	236,750

¹ Adjusted for the completed rights issue in February 2021.

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

Group

Net sales for the period January to December 2023 amounted to SEK 97.5 (0.0) million. InDex net sales for the period January to December 2023 consisted of up-front fee from Viatris Japan for the out-licensing of the commercial rights to cobitolimod 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 Viatris Japan was signed, i.e. May 31, 2023. InDex has identified one specific performance commitment under the license agreement related to the upfront fee of USD 10m – a pharmacokinetic study (PK study) in Japan with Japanese patients designed to show a pharmacokinetic profile comparable to that generated in the PK study conducted earlier by InDex with Swedish UC patients. The share of the upfront fee attributable to this performance commitment has not been recognized as revenues yet and has been estimated to USD 1m.

Other operating income previous year amounting to SEK 47.9 million was mainly attributable to foreign exchange gains related to cash and cash equivalents in foreign currency. InDex purchased during the second quarter 2021 USD to be used for future payments related to signed contracts denominated in USD.

Operating expenses for the period amounted to SEK 204.9 (151.1) million. The increase is attributable to higher costs for the Induction Study 1 of the CONCLUDE phase III program.

The operating expenses during the period refer primarily to costs for phase III and general operating expenses.

Costs for the personnel during the reporting period amounted to SEK 14.6 (13.2) million. The increase is partly related to additional employees and general salary increases.

InDex has during the period accrued interest income of SEK 12.3 (3.0) million related to cash and cash equivalents in foreign currency.

Cash and cash equivalents as of December 31, 2023 amounted to SEK 294.3 million, which is SEK 50.7 million lower than as of December 31, 2022.

Parent company

The net sales amounted to SEK 13.4 (10.7) million during the period January to December 2023 and consisted of invoicing of group wide expenses to InDex Pharmaceuticals AB.

The operating expenses amounted during the reporting period to SEK 20.9 (16.8) million and consisted of personnel expenses for employees in the parent company 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 during 2023 a shareholder contribution of in total SEK 50.0 (0.1) million. A write-down of shares in subsidiaries was made simultaneously. In addition, shares in InDex Pharmaceuticals AB has been written down to a value corresponding to reported equity in the subsidiary.

THE BOARD OF DIRECTORS AND CEO

The Board in InDex Pharmaceuticals Holding AB was elected at the Annual General Meeting on May 24, 2023, and consists of the chairman Wenche Rolfsen, Karin Bernadotte af Wisborg, Marlene Forsell, Anna-Kajja Grönblad, Uli Hacksell and Lennart Hansson.

Jenny Sundqvist is CEO since January 1, 2023.

RISKS AND UNCERTAINTIES

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.

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.

NON-FINANCIAL INFORMATION**Employees**

The number of employees at the end of the year was 7 (6) and the number of people closely associated with InDex through consultancy arrangements amount to 12 (12).

Environment

InDex is a small company and is therefore procuring services such as production of substance, drug production and preclinical and clinical trials services. InDex is cooperating with well-known partners with rigorous oversight of permits, quality assurance and environmental obligations.

Annual General Meeting in the parent company

The Annual General Meeting of InDex Pharmaceuticals Holding AB will be held on May 7, 2024 at 5:00 p.m. (CET) at Setterwalls Advokatbyrå, Sturegatan 10 in Stockholm. Shareholders who wish to attend the Annual General Meeting must be recorded in the share register maintained by Euroclear Sweden AB on April 26, 2024. Shareholders who wish to attend the Annual General Meeting shall also give notice of attendance no later than April 26, 2024 at 5:00 p.m. (CET) by email to info@indexpharma.com or under postal address: InDex Pharmaceuticals Holding AB, Berzelius väg 13, 171 65 Solna. The notice shall contain name, address and number of shares represented. If applicable, the number of assistants (maximum 2) shall be provided. Shareholders that are represented by proxy shall provide the proxy to the agent. The proxy shall be provided to the company prior to the Annual General Meeting using the above-mentioned postal address. If the proxy is provided by a legal person a certified company certificate shall be attached.

PROPOSED DISTRIBUTION OF EARNINGS**THE FOLLOWING RETAINED EARNINGS ARE AT THE DISPOSAL OF THE ANNUAL GENERAL MEETING**

SEK	
Retained earnings	526,927,636
Net result	-298,705,288
	228,222,348
The Board's suggestion to be carried forward	228,222,348

THE BOARD'S OPINION REGARDING THE SUGGESTED DISTRIBUTION AND DIVIDEND POLICY

The Board does not propose a dividend for 2023.

Regarding the parent company's and the group's result and financial position the reader is referred to the pages overleaf presenting the statement of total comprehensive income, balance sheet, statement of changes in equity, cash flow and associated notes. All amounts are presented in thousands of SEK unless stated otherwise.

Consolidated statement of total comprehensive income

SEKK	Note	2023	2022	2021
Revenues				
Net sales	5	97,505	–	–
Other income	8	–	47,887	12,720
Total revenues		97,505	47,887	12,720
Operating expenses				
Raw material and consumables		–4,158	–10,287	–14,383
Other external expenses	6, 7	–173,256	–126,530	–87,737
Personnel costs	7	–14,583	–13,231	–12,258
Depreciations/amortisations of fixed assets and right-of-use assets	14, 15	–1,216	–1,066	–1,252
Other operating expenses		–11,659	–	–
Total expenses		–204,872	–151,114	–115,630
Operating loss		–107,367	–103,227	–102,910
Result from financial investments				
Financial income	9	12,329	3,013	–
Financial expenses	9	–227	–120	–133
Financial items – net		12,102	2,893	–133
Earnings before tax		–95,265	–100,333	–103,043
Taxes for the period	10	–	–	–
LOSS FOR THE PERIOD		–95,265	–100,333	–103,043
Earnings per share, attributable to the shareholders of the parent company:				
Earnings per share, before and after dilution, SEK ¹		–0.18	–0.19	–0.21

¹ Adjusted for the completed rights issue in February 2021.

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 shareholders of the parent company.

The notes on pages 14 to 31 are an integrated part of these consolidated financial statements.

Consolidated balance sheet

SEKk	Note	December 31, 2023	December 31, 2022	December 31, 2021
ASSETS				
Fixed assets				
<i>Tangible fixed assets</i>				
Equipment, tools and installations	14	273	454	639
Total tangible fixed assets		273	454	639
Right-of-use assets	15	2,500	3,535	1,520
<i>Financial assets</i>				
Other financial assets	16	1	1	1
Total financial assets		1	1	1
Total fixed assets		2,774	3,990	2,160
Current assets				
<i>Current receivables</i>				
Accounts receivable	17	-	-	-
Other current receivables	18	1,605	2,129	2,400
Prepaid expenses and accrued income	19	743	286	12,187
Cash and cash equivalents	20	294,267	344,931	428,449
Total current receivables		296,615	347,346	443,036
Total current assets		296,615	347,346	443,036
TOTAL ASSETS		299,389	351,336	445,196
EQUITY AND LIABILITIES				
Equity				
Share capital	21	10,654	10,654	10,654
Additional paid in capital		863,878	863,686	863,433
Retained earnings (including profit/loss for the year)		-635,646	-540,381	-440,048
Total equity attributable to the shareholders of the parent company		238,885	333,959	434,039
Provisions				
Other provisions		0	16	116
Total provisions		0	16	116
Liabilities				
<i>Non-current liabilities</i>				
Non-current lease liabilities	15	1,598	2,626	475
Total non-current liabilities		1,598	2,626	475
<i>Current liabilities</i>				
Current lease liabilities	15	700	626	807
Account payables		6,744	6,561	4,497
Other current liabilities	23	1,067	689	1,693
Accrued expenses and prepaid income	24	50,395	6,859	3,569
Total current liabilities		58,906	14,735	10,566
Total liabilities		60,504	17,361	11,041
TOTAL EQUITY AND LIABILITIES		299,389	351,336	445,196

The notes on pages 14 to 31 are an integrated part of these consolidated financial statements.

Consolidated statement of changes in equity

SEKK	Equity attributable to the shareholders of the parent company			
	Share capital	Additional paid in capital	Retained earnings, including loss for the year	Total equity
Opening balance January 1, 2021	1,776	384,557	-337,005	49,328
Profit/loss for the period equal to total comprehensive income	-	-	-103,043	-103,043
Total comprehensive income for the year	-	-	-103,043	-103,043
Transactions with shareholders of the parent company:				
Issue of shares	8,878	523,809	-	532,687
Transaction costs	-	-45,192	-	-45,192
Value of the employees' employment	-	258	-	258
Total transactions with shareholders of the parent company	8,878	478,875	-	487,753
Closing balance December 31, 2021	10,654	863,433	-440,048	434,039
Opening balance January 1, 2022	10,654	863,433	-440,048	434,039
Profit/loss for the period equal to total comprehensive income	-	-	-100,333	-100,333
Total comprehensive income for the year	-	-	-100,333	-100,333
Transactions with shareholders of the parent company:				
Value of the employees' employment	-	253	-	253
Total transactions with shareholders of the parent company	-	253	-	253
Closing balance December 31, 2022	10,654	863,686	-540,381	333,959
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

Consolidated cash flow

SEKK	Note	2023	2022	2021
Operating activities				
Operating result		-107,367	-103,227	-102,910
<i>Adjustment for non-cash items:</i>				
Depreciations/amortisations		1,216	1,066	1,252
Interest paid and received		12,102	2,893	-133
Income tax paid		-	-	-
Other adjustments		11,833	-46,517	-11,907
Cash flow from operating activities before changes in working capital		-82,216	-145,783	-113,698
Cash flow in working capital				
Decrease/increase of current receivables		68	12,172	-10,648
Decrease/increase of current liabilities		44,171	4,169	288
Cash flow from changes in working capital		44,239	16,341	-10,360
Cash flow from operating activities		-37,977	-129,442	-124,058
Investing activities				
Investments in tangible assets		-	-	-
Cash flow from investment activities		-	-	-
Financing activities				
Amortisation of lease liabilities	15, 27	-1,028	-818	-1,103
Issue of shares, net after transaction costs	21	-	-	487,495
Cash flow from financing activities		-1,028	-818	486,392
Cash flow for the period		-39,005	-130,260	362,334
Decrease/increase of cash and cash equivalents				
Cash and cash equivalents at the beginning of the year		344,931	428,449	53,834
Currency translation difference in cash and cash equivalents		-11,659	46,742	12,281
Cash and cash equivalents at the end of the year		294,267	344,931	428,449

The notes on pages 14 to 31 are an integrated part of these consolidated financial statements.

Notes to the consolidated statements

NOTE 1 GENERAL INFORMATION

InDex Pharmaceuticals Holding AB (publ) Corp. Reg. No. 559067-6820 is a registered limited liability corporation in Sweden with its registered office in Stockholm. The address to the head office is Berzelius väg 13, Solna. InDex Pharmaceuticals Holding AB, and its subsidiaries InDex Pharmaceuticals AB and InDex Diagnostics AB ("InDex", "the company" or "the group"), operations constitute research, clinical trials, development of technology and commercialisation of scientific discoveries within in the field of biomedicine.

The Board approved the annual report on March 20, 2024.

All amounts are presented in thousands of SEK (SEKK) unless stated otherwise.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These accounting policies have been applied consistently for all periods presented. The consolidated financial statements present InDex Pharmaceuticals Holding AB (publ) and its subsidiaries.

i) Basis of preparation for the reports

The consolidated financial statements for InDex Pharmaceuticals Holding AB were prepared in accordance with the *Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, International Financial Reporting Standards (IFRS)* and interpretations from *IFRS Interpretations Committee (IFRS IC)* as adopted by the EU.

The consolidated financial statements have been prepared using the cost method.

The preparation of financial statements compliant in accordance with IFRS requires the use of certain critical accounting estimates. In addition, the management must make certain assessments when applying the group's accounting policies. Those areas that involve a high degree of assessment, that are complex or such areas where assumptions and estimates are of material importance for the consolidated financial statements are presented in note 4.

ii) New and revised standards not yet adopted by the group

A few amendments of the current standards and interpretations came into effect for financial periods beginning on January 1, 2023, or later. None of these have had a material impact on the financial statements of the group during the current year nor are these expected to have a material impact on any future financial periods or transactions.

A number of new standards and interpretations that came into effect for financial periods beginning on or after January 1, 2024, have not been applied in the preparation of this financial report. No standards that are in issue but not yet effective are assessed to have a significant impact when adopted.

2.1 CONSOLIDATED FINANCIAL STATEMENTS

Subsidiaries

Subsidiaries are all companies in which the group has a controlling interest. The group controls a company when it is exposed to, or entitled to, variable returns from its holding in the company and has the ability to affect those returns through its control over the company. Subsidiaries are included in the consolidated financial statements from the date on which the controlling interest is transferred to the group. They are excluded from the consolidated financial statements from the date on which the controlling interest ceases.

Intercompany transactions, balance sheet items and unrealised gains and losses on transactions between group companies are eliminated.

2.2 SEGMENT REPORTING

InDex's chief operating decision maker is the CEO, since the CEO is primarily responsible for allocating resources and evaluating results. The assessment of the group's operating segments is based on the financial information reported to the CEO. The financial information reported to the CEO, to support the allocation of resources and assessment of the group's results, pertains to the group as a whole. The group conducts pharmaceutical development, and the operations currently consist entirely of research and development of pharmaceuticals for immunological diseases. Against this background, the assessment is that InDex conducts joint development activities within the group and therefore has one business segment, which is the group as a whole.

2.3 TRANSLATION OF FOREIGN CURRENCY

(i) Functional and presentation currency

The functional currency of the various entities in the group is the local currency, as this has been defined as the currency that is used in the primary economic environment in which each entity mainly operates. The Swedish krona (SEK) is used in the consolidated financial statements and is the functional currency of the parent company and the presentation currency of the group.

(ii) Transactions and balance sheet items

Transactions in foreign currency are translated into the functional currency at the exchange rates prevailing on the date of the transaction. Exchange rate gains and losses arising from the payment of such transactions and from the translation of monetary assets and liabilities in foreign currency at the closing-day rate are recognised through profit or loss in the statement of comprehensive income.

Exchange rate gains and losses attributable to cash and cash equivalents are recognised as financial income or expenses in the statement of comprehensive income.

2.4 REVENUE RECOGNITION

The group sells services in the form of research or analysis assignments on an ongoing basis. Revenue from out-licensing is reported when control over the intangible asset is transferred to the counterparty occurs. In the event the out-licensing requires additional performance commitments other than the transfer of the control over the intangible asset revenues are recognised once the performance commitments are fulfilled. 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.

Compensation attributable to sales-based milestones or royalties is not recognized until the commercial sales that results in the right to milestones or royalties arise.

2.5 GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the group will comply with all attached conditions. Grants received before the conditions for recognition as income have been met are recognised as a liability.

The group's grants consist in their entirety of grants to cover costs. Grants to cover costs are accrued and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

2.6 CURRENT AND DEFERRED TAX

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to offset those temporary differences and losses.

The group has large tax loss carry-forwards and the current assessment is that the tax loss carry-forwards will not be utilised against taxable profits in a foreseeable future.

2.7 LEASES

The group's leases essentially pertain to an office space.

The leases are recognised as right-of-use assets and a corresponding lease liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between amortisation of the liability and finance cost. The finance cost is allocated over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is subsequently amortised over the shorter of the useful life of the asset and the lease term on a straight-line basis. The lease has a fixed initial term of three years with an option to extend or terminate the contract.

Assets and liabilities arising from leases are initially recognised at present value. Lease liabilities include the present value of the following lease payments:

- fixed payments and
- variable lease payments dependent on an index.

The lease payments are discounted using the incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the initial measurement of the lease liability and
- payments made on or before the point in time when the leased asset is made available to the lessee.

Lease payments attributable to short-term leases and low-value leases are recognised over the lease term on a straight-line basis. Short-term leases are leases with a lease term of 12 months or less. Low-value leases essentially pertain to office equipment.

Options to extend or terminate leases

Options to extend or terminate leases are included in the group's lease contracts for offices. These terms are used to maximise operational flexibility in terms of managing contracts. Options to extend or terminate leases are included in the asset and the liability where it is reasonably certain they will be exercised.

2.8 TANGIBLE FIXED ASSETS

Tangible fixed assets include equipment, tools, fixtures and fittings. Tangible fixed assets are recognised at cost less depreciation. Cost includes expenses directly attributable to the acquisition of the asset.

Subsequent costs are added to the carrying amount of the asset or recognised as a separate asset, whichever is the most appropriate, only when it is probable that the future economic benefits embodied in the asset will flow to the group and the cost of the asset can be measured reliably. The carrying amount of the part that is replaced is derecognised. All other repairs and maintenance are recognised as costs in the statement of comprehensive income in the period in which they occur.

In order to allocate their cost down to the residual value over the estimated useful life, assets are depreciated on a straight-line basis as follows.

- Equipment, tools, fixtures and fittings 5 years

The residual values and useful lives of the assets are reviewed at the end of every reporting period and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount, and recognised net in other operating income/other operating expenses in the statement of comprehensive income.

2.9 INTANGIBLE ASSETS

Research and development

InDex is a pharmaceutical development company focused on immunological diseases. All expenses directly attributable to the development and testing of identifiable and unique products controlled by InDex are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the product or process so that it will be available for use,
- InDex's intention is to complete the product and to use or sell it,
- there is an ability to use or sell the product,
- it can be demonstrated how the product will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the product are available, and
- the expenditure attributable to the product during its development can be reliably measured.

The overall risk in ongoing development projects is high. Risk includes safety and efficacy-related risks that can arise in clinical trials, regulatory risks related to applications for the approval of clinical trials and marketing authorisation, and IP risks related to the approval of patent applications and maintaining patents. All development is therefore considered research, since development processes do not meet the criteria listed above. On December 31, 2023 and in the comparative periods, no development costs had been recognised as intangible assets in the balance sheet since none of the above criteria for capitalisation were considered met for any of the pharmaceutical development projects conducted by the group. Research costs are expensed as incurred. Development costs expensed in prior periods are not recognised as assets in subsequent periods.

2.10 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs of disposal and value in use.

2.11 FINANCIAL INSTRUMENTS

The group's financial assets and liabilities consist of other long-term receivables, accounts receivable, other receivables, accrued income, cash and cash equivalents, accounts payable, other liabilities and accrued costs.

(i) Initial recognition

Financial assets and liabilities are recognised when the group becomes a party to the financial instrument's contractual conditions. The purchase or sale of financial assets and liabilities is recognised on the trade date, i.e. the date on which the group commits to buy or sell the asset.

At initial recognition, a financial asset or a liability is measured at its fair value plus in the case of a financial asset or a liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability, such as fees and commissions. Transaction costs for financial assets and liabilities measured at fair value through profit or loss are expensed in the statement of comprehensive income.

(ii) Financial assets – Classification and measurement

The group classifies and measures its financial assets in the categories amortised cost and fair value through profit or loss. The classification of investments in debt instruments depends on the group's business model for managing financial assets and the contractual terms for the cash flows of the assets.

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. The carrying amount of these assets is adjusted for any expected credit losses recognised (see Impairment of financial assets below). The group's financial assets that are measured at amortised cost consist of accounts receivable, other receivables, accrued income and cash and cash equivalents.

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss are financial assets held for sale. These are also measured at fair value in subsequent periods and the change in fair value is recognised in the statement of comprehensive income. Financial assets measured at fair value are treated as other non-current receivables.

(iii) Financial liabilities – Classification and measurement

Financial liabilities measured at amortised cost

After initial recognition, the group's financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities consist of account payables, other current liabilities and accrued expenses.

(iv) Derecognition of financial assets and financial liabilities

Financial assets are derecognised when the rights to the cash flows from the instrument have expired or been transferred and the group has transferred substantially all of the risks and rewards of ownership. Financial liabilities are derecognised when the contractual obligations have been fulfilled or otherwise extinguished. Since the terms of a financial liability are renegotiated and not derecognised, a gain or loss is recognised in the statement of comprehensive income and the gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

(v) Impairment of financial assets*Assets measured at amortised cost*

The group determines the future expected credit losses attributable to assets measured at amortised cost. The group recognises a loss allowance for such expected credit losses at the end of each reporting period. For accounts receivable, the group applies the simplified approach to loss allowances, meaning that the allowance will correspond to the expected loss over the life of a receivable. To measure the expected credit losses, accounts receivables are grouped on the basis of shared credit risk characteristics and days past due. The group uses forward-looking variables to determine expected credit losses. Expected credit losses are treated as other operating expenses in the consolidated statement of comprehensive income.

2.12 ACCOUNTS RECEIVABLE

Accounts receivable are amounts due from customers for services sold and performed in the ordinary course of business. Accounts receivables are classified as current assets. Accounts receivables are initially recognised at the transaction price. The group holds the accounts receivable with the objective to collect the contractual cash flows. Accounts receivables are therefore measured at amortised cost in subsequent accounting periods using the effective interest method.

2.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank balances in both the balance sheet and the cash flow statement.

2.14 SHARE CAPITAL

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or options are recognised in equity, net of tax, as a deduction from the issue proceeds.

2.15 ACCOUNT PAYABLES

Account payables are financial instruments and pertain to obligations to pay for goods and services acquired from suppliers in the ordinary course of business. Account payables are classified as current liabilities if payment is due within 12 months. If not, they are recognised as long-term liabilities.

Account payables are initially measured at fair value and thereafter at amortised cost using the effective interest method.

2.16 EMPLOYEE BENEFITS**(i) Short-term employee benefits**

Liabilities for salaries and benefits, including non-monetary benefits and paid absence, that are expected to be settled within 12 months after the end of the financial year, are recognised as current liabilities at the undiscounted amount expected to be paid when the liabilities are settled. The cost is recognised in the statement of comprehensive income as the services are provided by the employees. The liability is recognised as an obligation to provide employee benefits in the consolidated balance sheet.

(ii) Pension obligations

The group has only defined contribution pension plans. A defined contribution pension plan is a pension plan for which the company pays fixed contribution to a separate legal entity. The group has no legal or constructive obligations to pay further contributions if the legal entity does not have sufficient assets to pay all employee benefits relating to employee service in the current or previous periods. The contributions are recognised as personnel costs in the statement of comprehensive income when they fall due for payment.

(iii) Share-based payments

The group has share-based payment programs where the company receives services from the employees as a compensation via the group's equity instruments. Information regarding these programs can be found in note 7.

Employee stock options program

Fair value of the employment that entitles the employees to be granted options through InDex employee stock option program is accounted for as personnel costs with a corresponding increase of equity in accordance with IFRS 2. The total amount to be expensed is based on the fair value per grant date based on the Black&Scholes model.

The total amount is accounted for over the vesting period. At the end of each reporting period the group assesses how many shares that is expected to be vested. Any potential deviations compared to the original assessment will be accounted for in the consolidated statements of total comprehensive income with a corresponding effect on equity.

Social security costs attributable to the value of the potential taxable benefit related to granted employee stock options are expensed in line with the vesting period. The value is calculated based on the fair value of the vested options at the end of the reporting period, which is in line with UFR 7.

2.17 EARNINGS PER SHARE**(i) Earnings per share before dilution**

Earnings per share before dilution is calculated by dividing:

- the result attributable to shareholders of the parent company, excluding dividends attributable to preference shares
- by a weighted average number of ordinary shares outstanding during the period, adjusted for bonus elements in ordinary shares issued and excluding treasury shares.

(ii) Earnings per share after dilution

To calculate the earnings per share after dilution, the amounts used to calculate the earnings per share before dilution are adjusted by taking into account:

- The after-tax effect of dividends and interest expenses associated with potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all potential ordinary shares.

NOTE 3 FINANCIAL RISK MANAGEMENT**3.1 FINANCIAL RISK FACTORS**

The group has historically been exposed market risk, credit risk, liquidity risk and refinancing risk. The Board assesses that mainly credit risk and liquidity risk remain.

It is the Board who is ultimately responsible for exposure, management and monitoring of InDex risks. The framework applicable to exposure, management and follow-up of financial risks is established by the Board and audited annually. The Board has delegated the responsibility for the daily risk management to the CEO, who in turn has delegated to the CFO. The Board can decide on temporary departures from the established framework.

(i) Market risk*Foreign exchange risk*

The group operates in Sweden as well as internationally and is exposed to foreign exchange risks arising from various currency exposures, primarily in relation to the euro (EUR) and US dollars (USD). Foreign exchange risks arise from future transactions, primarily payment outflows, and recognised

assets and liabilities in a currency that is not the company's functional currency, known as transaction exposure. The group's exposure to foreign exchange risk is medium-high as a number of transactions in foreign currency occur. Therefore, the group does not currently use derivative instruments, such as currency swaps, to manage currency risk. The group has however purchased foreign currency (USD) for future payments of accounts payable in USD.

(ii) Credit risk

Credit risk is managed at group level. Credit risk arises from bank balances. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

(iii) Liquidity risk

Through careful liquidity management, the group ensures that sufficient liquid funds are available to meet the needs of the ongoing operations. At the same time, the group ensures that there is sufficient cash and cash equivalents so that debt payments can be made when they fall due. Management monitors rolling forecasts of the group's liquidity requirements based on expected cash flows.

THE GROUP'S FINANCIAL LIABILITIES ON DECEMBER 31, 2021

On December 31, 2021	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Financial liabilities							
Lease liabilities	268	805	447	–	–	1,520	1,282
Accounts payable	4,497	–	–	–	–	4,497	4,497
Other liabilities	1,693	–	–	–	–	1,693	1,693
Accrued expenses	3,569	–	–	–	–	3,569	3,569
Total	10,027	805	447	–	–	11,279	11,041

THE GROUP'S FINANCIAL LIABILITIES ON DECEMBER 31, 2022

On December 31, 2022	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Financial liabilities							
Lease liabilities	295	885	2,359	492	–	4,031	3,252
Accounts payable	6,561	–	–	–	–	6,561	6,561
Other liabilities	689	–	–	–	–	689	689
Accrued expenses	6,859	–	–	–	–	6,859	6,859
Total	14,404	885	2,359	492	–	18,140	17,361

THE GROUP'S FINANCIAL LIABILITIES ON DECEMBER 31, 2023

On December 31, 2023	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Financial liabilities							
Lease liabilities	250	778	1,598	–	–	2,626	2,298
Accounts payable	6,744	–	–	–	–	6,744	6,744
Other liabilities	1,067	–	–	–	–	1,067	1,067
Accrued expenses	50,395	–	–	–	–	50,395	50,395
Total	58,456	778	1,598	–	–	60,832	60,504

3.2 FAIR VALUE ESTIMATION AND DISCLOSURE

The carrying amounts of the group's financial assets and liabilities are deemed to be a reasonable estimate of the fair value as they relate to current receivables and liabilities, thus the discounting effect is immaterial.

3.3 CAPITAL MANAGEMENT

The group's goal regarding capital structure is to ensure the group's ability to continue its operations, so that it can continue to generate a reasonable return to the shareholders and benefit other stakeholders and to maintain an optimal

capital structure to keep the cost of capital down. For InDex, the ability to forecast future cash outflows is of utmost importance paired with the ability to ensure that new capital is procured well in advance of additional capital requirements. At this stage, the group is currently not following a specific measure to assess the return to shareholders. InDex's return capacity is dependent on the quality and value of research results generated. The value and quality of the research and development business is evaluated on an ongoing basis by management and the Board.

NOTE 4 | IMPORTANT ESTIMATIONS AND ASSUMPTIONS

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 NET SALES**REVENUE**

Revenue from external parties that is reported to the CEO is valued in the same way as in the group's statement of comprehensive income.

The main revenue stream for the group is sales of research and analysis services on an ongoing basis and is reported as revenue during the period the work was performed.

REVENUE FROM EXTERNAL CLIENTS			
	2023	2022	2021
Intäkter från utlicensiering	97,505	–	–
Research and analysis services	–	–	–
Total	97,505	–	–

REVENUE FROM EXTERNAL CLIENTS ALLOCATED PER COUNTRY BASED ON WHERE THEY ARE LOCATED

	2023	2022	2021
Japan	97,505	–	–
Sweden	–	–	–
Total	97,505	–	–

All non-current assets, other than financial instruments and deferred tax assets (there are no assets in connection with post-employment benefits or rights under insurance contracts) are located in Sweden.

NOTE 6 FEES AND REMUNERATION TO AUDITORS

	2023	2022	2021
PwC			
– Audit engagement	305	290	260
– Other services	–	–	10
Total	305	290	270

NOTE 7 PERSONNEL COSTS

EMPLOYEE BENEFITS			
	2023	2022	2021
Salaries and other benefits	8,888	7,547	6,982
Social security charges	2,778	2,473	3,022
Pension expenses – defined contribution plans	1,824	1,829	1,694
Fees	11,930	8,366	7,589
Total remuneration	25,420	20,215	19,287

REMUNERATION, OTHER BENEFITS AND SOCIAL SECURITY CONTRIBUTIONS

	2023		2022		2021	
	Salary and other benefits	Social security contributions (whereof pension expenses)	Salary and other benefits	Social security contributions (whereof pension expenses)	Salary and other benefits	Social security contributions (whereof pension expenses)
Board of Directors, CEO and other senior executives	6,794	3,612 (1,223)	3,944	1,423 (347)	4,578	2,583 (1,019)
Other employees	3,769	1,184 (600)	5,193	3,322 (1,482)	3,647	1,727 (675)
Total group	10,563	4,796 (1,823)	9,137	4,745 (1,829)	8,225	4,310 (1,694)

AVERAGE NUMBER OF EMPLOYEES SPLIT BY COUNTRY

	2023		2022		2021	
	At year-end	Whereof men	At year-end	Whereof men	At year-end	Whereof men
Sweden	7	1	6	2	9	3
Total group	7	1	6	2	9	3

SPLIT BY GENDER IN THE GROUP FOR BOARD OF DIRECTORS AND SENIOR EXECUTIVES

	2023		2022		2021	
	At year-end	Whereof men	At year-end	Whereof men	At year-end	Whereof men
Board of Directors	6	2	6	2	4	2
CEO and other senior executives	4	1	4	2	4	3
Total group	10	3	10	4	8	5

REMUNERATION AND OTHER BENEFITS 2023

	Basic salary/ Board remuneration	Variable remuneration	Sharebased payments	Pension expenses	Fees	Total
Chairman of the Board – Wenche Rolfsen	500	–	–	–	–	500
Member of the Board – Marlene Forsell	235	–	–	–	–	235
Member of the Board – Uli Hacksell	235	–	–	–	–	235
Member of the Board – Lennart Hansson	235	–	–	–	–	235
Member of the Board – Karin Bernadotte af Wisborg	235	–	–	–	–	235
Member of the Board – Anna-Kaija Grönblad	235	–	–	–	–	235
CEO – Jenny Sundqvist	2,269	410	21	843	–	3,543
Other senior executives	2,166	274	67	380	3,353	6,240
Total group	6,110	684	88	1,223	3,353	11,458

The group of other senior executives includes CFO/Deputy CEO, CSO and CDO, of which CDO is engaged as consultant.

REMUNERATION AND OTHER BENEFITS 2022

	Basic salary/ Board remuneration	Variable remuneration	Sharebased payments	Pension expenses	Fees	Total
Chairman of the Board – Wenche Rolfsen	479	–	–	–	176	655
Member of the Board – Marlene Forsell	231	–	–	–	–	231
Member of the Board – Uli Hacksell	231	–	–	–	–	231
Member of the Board – Lennart Hansson	231	–	–	–	–	231
Member of the Board – Karin Bernadotte af Wisborg	137	–	–	–	–	137
Member of the Board – Anna-Kajja Grönblad	137	–	–	–	–	137
CEO – Peter Zerhouni (up to April 11, 2022)	2,045	–	83	461	–	2,589
Acting CEO/CFO – Johan Giléus	–	–	66	–	2,730	2,796
Other senior executives	2,116	–	63	466	1,625	4,270
Total group	5,607	–	212	927	4,531	11,277

The group of other senior executives includes CSO, CDO and CMO, of which CDO is engaged as consultant.

REMUNERATION AND OTHER BENEFITS 2021

	Basic salary/ Board remuneration	Variable remuneration	Sharebased payments	Pension expenses	Fees	Total
Chairman of the Board – Wenche Rolfsen	430	–	–	–	–	430
Member of the Board – Marlene Forsell	215	–	–	–	–	215
Member of the Board – Uli Hacksell	215	–	–	–	–	215
Member of the Board – Lennart Hansson	215	–	–	–	–	215
Member of the Board – Yilmaz Mahshid	84	–	–	–	–	84
Member of the Board – Stig Lökke Pedersen	84	–	–	–	–	84
CEO – Peter Zerhouni	1,830	162	83	620	–	2,695
Other senior executives	1,123	60	77	399	3,157	4,816
Total group	4,196	222	160	1,019	3,157	8,754

The group of other senior executives includes COO, CFO and CMO, of which CFO and CMO are engaged as consultants.

No fees for consultancy engagements have been paid to any board member other than fees (SEK 176k) for consultancy work to Wenche Rolfsen (chairman) in 2022.

GUIDELINES

Fees are paid to the chairman and members of the Board in accordance with the decision of the Annual General Meeting. Remuneration to the CEO and other senior executives consists of basic salary, variable remuneration, other benefits, pensions, etc. Where applicable, consulting fees are paid in accordance with agreements. Other senior executives refer to the persons who together with the CEO constitute the management.

The distribution between basic salary and variable remuneration must be in proportion to the manager's responsibility and authority. For the CEO, the variable remuneration is maximized to 40% of the basic salary. For other employed senior executives, variable remuneration is maximised to three monthly salaries. The variable remuneration is based on the outcome in relation to individually set goals. Pension benefits and other benefits to the CEO and other senior executives are paid as part of the total remuneration.

DEFINED CONTRIBUTION PENSION PLANS

The group only has defined contribution pension plans. Pension cost refers to the cost that has been expensed during the year. The retirement age for the CEO is 68 years. The pension premium shall amount to 32% of the pensionable salary. Pensionable salary means basic salary. For other senior executives, the retirement age follows LAS. The pension agreement states that the pension premium shall be in accordance with ITP. No pension commitments have been made for board members.

SEVERANCE AGREEMENTS

A mutual notice period of 6 months applies between the company and the CEO. There is no severance pay agreements.

There are mutual notice periods of 2-6 months between InDex and other senior executives. There are no severance pay agreements.

WARRANTS

Set out below is a summary of the warrants granted by the group during any of the financial years included in annual report 2023:

TO 2020/2023 (LTIP 2020)

At the Annual General Meeting held on April 20, 2020, it was resolved to issue 3,965,000 warrants, TO 2020/2023. The Board allocated in July 2020 958,388 warrants to employees and other key persons. The price was SEK 0.2522 per warrant according to a valuation based on Black&Scholes. The warrants gave the holder the right to subscribe for one new share in InDex Pharmaceuticals Holding AB at an exercise price of SEK 20 during May-October 2023. All participants acquired the warrants at fair value.

After the completed rights issue the exercise price and the number of shares each warrant represents have been recalculated in accordance with the terms. Recalculated exercise price amounts to SEK 7.804 and for each warrant 2.5627 shares can be subscribed. Remaining warrants have been terminated. LTIP 2020 expired on October 31, 2023 and no warrants were exercised.

For the comparative periods senior executives held the following number of warrants:

- December 31, 2023 0
- December 31, 2022 191,666
- December 31, 2021 666,667

LTIP 2020

	2023		2022		2021	
	Average exercised price per warrant	Warrants	Average exercised price per warrant	Warrants	Average exercised price per warrant	Warrants
Per January 1	7.804	832,276	7.804	958,388	7.804	958,388
Granted	–	–	–	–	–	–
Forfeited	–	–	–	-126,112	–	–
Exercised	–	–	–	–	–	–
Expired	–	-832,276	–	–	–	–
Per December 31	–	–	7.804	832,276	7.804	958,388

EMPLOYEE STOCK OPTIONS

Set out below is a summary of the employee stock options granted by the group during any of the financial years included in annual report 2023.

TO 2021/2024 (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 allotted during 2021 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 employee stock 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. The employee stock options will vest with 1/3 per year. In October 2021 the Board allocated an additional 676,000 employee stock options to two new employees. The remaining employee stock options have been terminated together with the employee stock options not to be vested.

For the comparative periods senior executives held the following number of warrants:

- December 31, 2023 1,110,300
- December 31, 2022 1,110,300
- December 31, 2021 3,732,800

The assessed fair value at grant date of options granted during 2021 (LTIP 2021) was SEK 0.14 and SEK 0.10 per employee stock option respectively. The fair value at grant date has been calculated using the Black&Scholes valuation model, which takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

The model inputs for options granted during 2021 include:

- Exercise price: SEK 4.00
- Grant date: July 6, 2021 and October 26, 2021 respectively
- Expiry date: July 1-December 31, 2024
- Share price at grant date: SEK 1.48 and SEK 1.38 respectively
- Expected price volatility of the company's shares: 50%
- Expected dividend yield: 0% and
- Risk-free interest rate: 0%

The expected price volatility is based on expected changes to future volatility.

Weighted average remaining contractual life of employee stock options outstanding at end of period is 0.75 years (2022: 1.75 years, 2021: 2.75 years).

Expenses arising from share-based payment transactions, LTIP 2021

Employee stock option program (LTIP 2021) – SEK 573k (2022: SEK 461k, 2021: SEK 374k).

LTIP 2021						
	2023		2022		2021	
	Average exercised price per option	Employee stock option	Average exercised price per option	Employee stock option	Average exercised price per option	Employee stock option
Per January 1	4.00	3,517,867	4.00	6,407,800	–	–
Granted	–	–	–	–	4.00	6,407,800
Forfeited	–	–	–	–2,889,933	–	–
Exercised	–	–	–	–	–	–
Expired	–	–	–	–	–	–
Per December 31	4.00	3,517,867	4.00	3,517,867	4.00	6,407,800

TO 2022/2025 (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 allotted during 2022 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 employee stock 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 employee stock options will vest with 1/3 per year. 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 remaining employee stock options have been terminated together with the employee stock options not to be vested.

For the comparative periods senior executives held the following number of warrants:

- December 31, 2023 4,247,600
- December 31, 2022 3,089,200
- December 31, 2021 –

The assessed fair value at grant date of options granted during 2022 (LTIP 2022) was SEK 0.06 and SEK 0.02 per employee stock option respectively. The fair value at grant date has

been calculated using the Black&Scholes valuation model, which takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

The model inputs for options granted during 2022 include:

- Exercise price: SEK 4.00 (2021 not applicable)
- Grant date: July 5, 2022 and December 15, 2022 (2021 not applicable)
- Expiry date: July 1-December 31, 2025 (2021 not applicable)
- Share price at grant date: SEK 1.05 and SEK 0.84 (2021 not applicable)
- Expected price volatility of the company's shares: 50% (2021 not applicable)
- Expected dividend yield: 0% (2021 not applicable) and
- Risk-free interest rate: 1.51% and 2.39% (2021 not applicable)

The expected price volatility is based on expected changes to future volatility.

Weighted average remaining contractual life of employee stock options outstanding at end of period is 1.75 years (2022: 2.75 years).

Expenses arising from share-based payment transactions, LTIP 2022

Employee stock option program (LTIP 2022) – SEK 185k (2022: SEK 75k).

LTIP 2022						
	2023		2022		2021	
	Average exercised price per option	Employee stock option	Average exercised price per option	Employee stock option	Average exercised price per option	Employee stock option
Per January 1	4.00	4,824,200	–	–	–	–
Granted	4.00	1,930,700	4.00	5,500,200	–	–
Forfeited	–	–772,300	–	–676,000	–	–
Exercised	–	–	–	–	–	–
Expired	–	–	–	–	–	–
Per December 31	4.00	5,982,600	4.00	4,824,200	–	–

TO 2023/2026 (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 allotted during 2023 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 employee stock 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 employee stock options will vest with 1/3 per year. The remaining employee stock options will be terminated together with the employee stock options not to be vested.

For the comparative periods senior executives held the following number of warrants:

- 31 december 2023 4,247,600
- 31 december 2022 –
- 31 december 2021 –

The assessed fair value at grant date of options granted during 2023 (LTIP 2023) was SEK 0.01 per employee stock option. The fair value at grant date has been calculated using the Black&Scholes valuation model, which takes into account the

exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

The model inputs for options granted during 2023 include:

- Exercise price: SEK 4.00 (2022 and 2021, not applicable)
- Grant date: July 12, 2023 (2022 and 2021, not applicable)
- Expiry date: July 1-December 31, 2026 (2022 and 2021, not applicable)
- Share price at grant date: SEK 0.56 (2022 and 2021, not applicable)
- Expected price volatility of the company's shares: 50% (2022 and 2021, not applicable)
- Expected dividend yield: 0% (2022 and 2021, not applicable) and
- Risk-free interest rate: 2.69% (2022 and 2021, not applicable)

The expected price volatility is based on expected changes to future volatility.

Weighted average remaining contractual life of employee stock options outstanding at end of period is 2.75 years.

Expenses arising from share-based payment transactions, LTIP 2023

Employee stock option program (LTIP 2023) – SEK 11k.

LTIP 2023						
	2023		2022		2021	
	Average exercised price per option	Employee stock option	Average exercised price per option	Employee stock option	Average exercised price per option	Employee stock option
Per January 1	–	–	–	–	–	–
Granted	4.00	6,658,600	–	–	–	–
Forfeited	–	–	–	–	–	–
Exercised	–	–	–	–	–	–
Expired	–	–	–	–	–	–
Per December 31	4.00	6,658,600	–	–	–	–

NOTE 8 OTHER INCOME

	2023	2022	2021
Government grants	–	1,146	440
Revaluation of cash and cash equivalents in foreign currency at the closing-day rate	–	46,741	12,280
Total	–	47,887	12,720

NOTE 9 FINANCIAL ITEMS

	2023	2022	2021
Interest income	12,329	3,013	–
Other financial income	–	–	–
Total financial income	12,329	3,013	–
Interest expense	–227	–120	–133
Exchange rate differences	–	–	–
Other financial expenses	–	–	–
Total financial expenses	–227	–120	–133
Financial items – net	12,102	2,893	–133

NOTE 10 TAXES

	2023	2022	2021
Current tax expense:			
Current tax expense	–	–	–
Adjustments of prior year income tax	–	–	–
Total current tax expense	–	–	–
Deferred tax (note 22)			
Deferred tax on temporary differences	–	–	–
Total deferred tax	–	–	–
Total taxes	–	–	–

The income tax on the group's profit before tax differs from the theoretical amount that would have been obtained when using the Swedish tax rate for the results of the consolidated companies as follows:

	2023	2022	2021
Earnings before tax	–95,265	–100,333	–103,043
Tax as per applicable tax rate for parent company in Sweden, 20.6%	19,625	20,669	21,227
<i>Tax effects due to:</i>			
Non-taxable income	3	–	–
Non-deductible expenses	–25	–13	–9
Tax effect related to unrecognised tax losses carried forward	–19,603	–20,656	–21,218
Taxes	–	–	–

The weighted average tax rate for the group was 0% (2022: 0%, 2021: 0%).

NOTE 11 EXCHANGE RATE DIFFERENCES - NET

Exchange rate differences have been reported in the statement of comprehensive income as follows:

	2023	2022	2021
Other income – (note 8)	–	46,741	12,280
Other external expenses	–11,659	–	–
Financial items – (note 9)	–	–	–
Total	–11,659	46,741	12,280

NOTE 12 EARNINGS PER SHARE

Earnings per share is calculated by dividing the result after tax with the average number of ordinary shares for the period.

InDex has pending ordinary shares through warrants. The warrants have no dilution effect during 2021, 2022 and 2023 as a conversion to ordinary shares would lead to a lower negative earnings per share.

	2023	2022	2021
Result after tax attributable to the shareholders of the parent company	–95,265	–100,333	–103,043
Total	–95,265	–100,333	–103,043
Weighted average number of shares (thousands)¹	532,688	532,688	483,365
Earnings per share, SEK	–0.18	–0.19	–0.21

¹ Adjusted for the completed rights issue in February 2021.

NOTE 13 PARTICIPATIONS IN GROUP COMPANIES

The group had the following subsidiaries as of December 31, 2023:

Company	Registered office	Operations	Participations owned by the parent company (%)	Participations owned by the group (%)
InDex Pharmaceuticals AB	Sweden	Drug development	100	100
InDex Diagnostics AB	Sweden	Drug development	–	100

NOTE 14 TANGIBLE FIXED ASSETS**EQUIPMENT, TOOLS AND INSTALLATIONS****Fiscal year 2021**

Opening net book amount	818
Investments	–
Divestments/scrapping	–
Depreciations	–179

Closing net book amount **639**

Per December 31, 2021

Acquisition cost	2,038
Accumulated depreciations	–1,399

Net book amount **639**

Fiscal year 2022

Opening net book amount	639
Investments	–
Divestments/scrapping	–
Depreciations	–185

Closing net book amount **454**

Per December 31, 2022

Acquisition cost	2,038
Accumulated depreciations	–1,584

Net book amount **454**

Fiscal year 2023

Opening net book amount	454
Investments	–
Divestments/scrapping	–
Depreciations	–181

Closing net book amount **273**

Per December 31, 2023

Acquisition cost	2,038
Accumulated depreciations	–1,765

Net book amount **273**

NOTE 15 LEASING AGREEMENTS

The balance sheets include the following amounts related to lease agreements:

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Right-of-use assets			
Office space	2,500	3,535	1,520
Total	2,500	3,535	1,520
Leasing liabilities			
Non-current	1,598	2,626	475
Current	700	626	807
Total	2,298	3,252	1,282

In September 2022 the current lease contract for office rent was prolonged to May 2026.

The following amounts related to leasing agreements are reported in the income statement:

	2023	2022	2021
Amortisation of right-of-use assets			
Office space	–1,035	–881	–1,073
Total	–1,035	–881	–1,073
Interest expense (included in financial expenses)	–228	–120	–96
Expenses attributable to variable lease payments that are not included in lease liabilities	–	–	–
Expenses attributable to short-term leasing agreements	–	–	–
Expenses attributable to leases for which the underlying asset is of low value that is not short-term leasing	–34	–22	–31

No significant variable lease payments that are not included in the lease liability have been identified.

The total cash flow in respect of leases was SEK 1,578k (2022: SEK 1,480k, 2021: SEK 1,177k). For information on the maturity of the lease liability, see Note 3.

NOTE 16 FINANCIAL INSTRUMENTS PER CATEGORY

December 31, 2021	Financial assets measured at fair value through profit and loss	Financial assets measured at amortised cost	Total
Assets on the balance sheet			
Other non-current receivables	1	–	1
Other current receivables	–	2,400	2,400
Prepaid expenses and accrued income	–	12,187	12,187
Cash and cash equivalents	–	428,449	428,449
Total	1	443,036	443,037

December 31, 2021		Financial liabilities measured at amortised cost	Total
Liabilities on the balance sheet			
Accounts payable	–	4,497	4,497
Other current liabilities	–	1,693	1,693
Accrued expenses and deferred income	–	3,569	3,569
Total	–	9,759	9,759

December 31, 2022	Financial assets measured at fair value through profit and loss	Financial assets measured at amortised cost	Total
Assets on the balance sheet			
Other non-current receivables	1	–	1
Other current receivables	–	2,129	2,129
Prepaid expenses and accrued income	–	286	286
Cash and cash equivalents	–	344,931	344,931
Total	1	347,346	347,347

December 31, 2022		Financial liabilities measured at amortised cost	Total
Liabilities on the balance sheet			
Accounts payable	–	6,561	6,561
Other current liabilities	–	689	689
Accrued expenses and deferred income	–	6,859	6,859
Total	–	14,109	14,109

December 31, 2023	Financial assets measured at fair value through profit and loss	Financial assets measured at amortised cost	Total
Assets on the balance sheet			
Other non-current receivables	1	–	1
Other current receivables	–	1,605	1,605
Prepaid expenses and accrued income	–	743	743
Cash and cash equivalents	–	294,267	294,267
Total	1	296,615	296,616
December 31, 2023		Financial liabilities measured at amortised cost	Total
Liabilities on the balance sheet			
Accounts payable	–	6,744	6,744
Other current liabilities	–	1,067	1,067
Accrued expenses and deferred income	–	50,395	50,395
Total	–	58,206	58,206

NOTE 17 ACCOUNTS RECEIVABLE

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Accounts receivable	–	–	–
Less: Provision for loss allowance	–	–	–
Accounts receivable - net	–	–	–

NOTE 19 PREPAID EXPENSES AND ACCRUED INCOME

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Prepaid insurance premiums	55	126	2
Other	688	160	12,185
Total	743	286	12,187

NOTE 18 OTHER RECEIVABLES

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Tax receivable	143	128	164
Other	1,462	2,001	2,236
Total	1,605	2,129	2,400

NOTE 20 CASH AND CASH EQUIVALENTS

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Bank accounts	294,267	344,931	428,449
Total	294,267	344,931	428,449

NOTE 21 SHARE CAPITAL AND ADDITIONAL PAID IN CAPITAL

	No of shares (thousands)	Share capital	Additional paid in capital
Per January 1, 2021	88,781	1,776	384,314
Issue of shares	443,906	8,878	478,617
Value of the employees' employment	–	–	258
Per December 31, 2021	532,688	10,654	863,433
Value of the employees' employment	–	–	253
Per December 31, 2022	532,688	10,654	863,686
Value of the employees' employment	–	–	192
Per December 31, 2023	532,688	10,654	863,878

The share capital as of December 31, 2023, consisted of 532,687,650 ordinary shares with a quotient value of SEK 0.02.

All ordinary shares have been paid in full.

NOTE 22 DEFERRED TAXES

Deferred taxes were divided into the following:

DEFERRED TAX ASSETS		
	Tax losses carried forward	Total
Per January 1, 2021		
Net results and total comprehensive income for the year	–	–
Per December 31, 2021		
Net results and total comprehensive income for the year	–	–
Per December 31, 2022		
Net results and total comprehensive income for the year	–	–
Per December 31, 2023		
Net results and total comprehensive income for the year	–	–

Unutilised tax loss carry-forwards for which no deferred tax assets have been reported amount to SEK 942,493k as of December 31, 2023 (December 31, 2022: SEK 847,418k, December 31, 2021: SEK 747,132k). The tax loss carry-forwards can be carried forward indefinitely.

Deferred tax assets are recognised for tax loss carry-forwards or other deductions to the extent that they are likely to be credited through future taxable profits. No deferred tax assets are reported as the group has not assessed that the criteria for reporting deferred tax in accordance with IAS 12 are met. Deferred tax assets are only valued at an amount corresponding to deferred tax liabilities and no deferred tax assets or tax liabilities are recognised in the balance sheet when deferred tax liabilities are offset against deferred tax assets.

NOTE 23 OTHER LIABILITIES

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Tax liabilities	14	–	6
Other	1,053	689	1,687
Total	1,067	689	1,693

NOTE 24 ACCURED COSTS AND DEFERRED INCOME

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Accrued vacation salaries	1,085	1,021	1,244
Accrued social security charges	340	321	390
Accrued costs, clinical trials	46,252	–	–
Other items	2,718	5,517	1,935
Total	50,395	6,859	3,569

NOTE 25 PLEDGED ASSETS

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Bank guarantee, Euroclear	50	50	50
Bank guarantee, Akademiska Hus	537	537	537
Total	587	587	587

NOTE 26 RELATED PARTY TRANSACTIONS

The group is controlled by InDex Pharmaceuticals Holding AB. Related parties are all subsidiaries within the group as well as senior executives in the group and their affiliates. No transactions with related parties have occurred during the periods covered by the annual report, except remuneration and consulting fees to senior executives and the allocation of employee stock options in 2021, 2022 and 2023. Remuneration to senior executives is disclosed in Note 7.

NOTE 27 CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES

	January 1, 2021	Cash inflow	Cash outflow	Non-cash items	December 31, 2021
Lease liability	2,341	–	–1,103	44	1,282
Total	2,341	–	–1,103	44	1,282

	January 1, 2022	Cash inflow	Cash outflow	Non-cash items	December 31, 2022
Lease liability	1,282	–	–818	2,788	3,252
Total	1,282	–	–818	2,788	3,252

	January 1, 2023	Cash inflow	Cash outflow	Non-cash items	December 31, 2023
Lease liability	3,252	–	–1,028	74	2,298
Total	3,252	–	–1,028	74	2,298

NOTE 28 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

- 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, amounts to SEK 180-190 million.
- InDex announced on February 26, 2024 that the company discontinues 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 February 26, 2024 that the company is evaluating 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.

Statement of comprehensive income for the parent company

SEKK	Note	2023	2022	2021
Revenues				
Net sales	2	13,392	10,735	10,176
Total revenues		13,392	10,735	10,176
Operating expenses				
Other external expenses	3	-12,792	-12,367	-10,691
Personnel costs	4	-7,882	-4,209	-6,718
Depreciation	7	-181	-184	-179
Total operating expenses		-20,855	-16,760	-17,588
Operating loss		-7,463	-6,025	-7,412
Net financial items				
Write-down of financial assets	5	-291,258	-108	-200,097
Financial income	5	16	-	-
Financial costs	5	0	27	-37
Total net financial items		-291,242	-81	-200,134
Profit or loss before tax		-298,705	-6,106	-207,546
Taxes for the period	6	-	-	-
PROFIT OR LOSS FOR THE YEAR		-298,705	-6,106	-207,546

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

The notes on pages 36 to 40 are an integrated part of these financial statements.

Balance sheet for the parent company

SEKk	Note	December 31, 2023	December 31, 2022	December 31, 2021
ASSETS				
Fixed assets				
<i>Tangible fixed assets</i>				
Equipment, tools and installations	7	273	454	639
Total tangible fixed assets		273	454	639
<i>Financial assets</i>				
Shares in subsidiaries	8	5,872	247,030	247,030
Total financial assets		5,872	247,030	247,030
Total fixed assets		6,144	247,484	247,669
Current assets				
<i>Current receivables</i>				
Intercompany receivables		213,462	247,536	196,921
Other receivables	9	229	1,335	1,237
Prepaid expenses and accrued income	10	666	457	410
Total current receivables		214,357	249,328	198,568
Cash and cash equivalents	11	21,939	42,490	99,793
Total current assets		236,296	291,818	298,361
TOTAL ASSETS		242,440	539,302	546,030
EQUITY AND LIABILITIES				
Equity				
<i>Restricted equity</i>				
Share capital	12	10,654	10,654	10,654
Total restricted equity		10,654	10,654	10,654
<i>Non-restricted equity</i>				
Share premium reserve		1,109,593	1,109,401	1,109,148
Retained earnings		-582,666	-576,560	-369,014
Profit or loss for the year		-298,705	-6,106	-207,546
Total non-restricted equity		228,222	526,734	532,587
Total equity		238,876	537,389	543,241
Provisions				
Other provisions		0	7	71
Total provisions		0	7	71
Current liabilities				
Account payables		317	861	446
Other current liabilities	13	885	415	462
Accrued expenses and deferred income	14	2,362	630	1,810
Total current liabilities		3,564	1,906	2,718
TOTAL EQUITY AND LIABILITES		242,440	539,302	546,030

The notes on pages 36 to 40 are an integrated part of these financial statements.

Statement of change in equity for the parent company

SEKK	Restricted equity	Non-restricted equity			Total equity
	Share capital	Share premium	Retained earnings	Result after tax	
Opening balance January 1, 2021	1,776	630,274	-312,989	-56,025	263,034
Disposition of last year's result	-	-	-56,025	56,025	-
Net results and total comprehensive income for the year	-	-	-	-207,546	-207,546
Total comprehensive income	-	-	-	-207,546	-207,546
Transactions with shareholders in their capacity as owners					
Issue of shares	8,878	523,809	-	-	532,687
Transaction costs	-	-45,192	-	-	-45,195
Value of the employees' employment	-	258	-	-	258
Transactions with shareholders of the parent company	8,878	478,875	-	-	487,753
Closing balance December 31, 2021	10,654	1,109,148	-369,014	-207,546	543,241
Opening balance January 1, 2022	10,654	1,109,148	-369,014	-207,546	543,241
Disposition of last year's result	-	-	-207,546	207,546	-
Net results and total comprehensive income for the year	-	-	-	-6,106	-6,106
Total comprehensive income	-	-	-	-6,106	-6,106
Transactions with shareholders in their capacity as owners					
Value of the employees' employment	-	253	-	-	253
Transactions with shareholders of the parent company	-	253	-	-	253
Closing balance December 31, 2022	10,654	1,109,401	-576,560	-6,106	537,389
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	-	-	-	-298,705	-298,705
Transactions with shareholders in their capacity as owners					
Value of the employees' employment	-	192	-	-	192
Transactions with shareholders of the parent company	-	192	-	-	192
Closing balance December 31, 2023	10,654	1,109,593	-582,666	-298,705	238,876

Statement of cash flows for the parent company

SEKK	2023	2022	2021
Operating activities			
Earnings before tax	-298,705	-6,106	-207,546
<i>Adjustment for non-cash items:</i>			
Write-down	291,258	108	200,097
Income tax paid	-	-	-
Depreciations	181	185	179
Other adjustments	185	190	328
Cash flow from operating activities before changes in working capital	-7,081	-5,623	-6,942
Cash flow in working capital			
Changes in current receivables	34,972	-50,760	-196,323
Changes in current liabilities	1,658	-812	-29,830
Cash flow from changes in working capital	36,630	-51,572	-226,153
Cash flow from operating activities	29,549	-57,195	-233,095
Cash flow from investment activities			
Shareholders contribution	-50,100	-108	-200,097
Investment in tangible fixed assets	-	-	-
Cash flow from investment activities	-50,100	-108	-200,097
Financing activities			
Issue of shares, net after transaction costs	-	-	487,495
Cash flow from financing activities	-	-	487,495
Cash flow for the year	-20,551	-57,303	54,302
Decrease/increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	42,490	99,793	45,491
Cash and cash equivalents at the end of the year	21,939	42,490	99,793

The notes on pages 36 to 40 are an integrated part of these financial statements.

Notes to the parent company

NOTE 1 PARENT COMPANY ACCOUNTING PRINCIPLES

The most important accounting principles applied when this annual report has been prepared are set out below. Unless otherwise stated, these principles have been applied consistently for all presented years. The annual report for the parent company has been prepared in accordance with *RFR 2 Accounting for Legal Entities* and the Swedish *Annual Accounts Act*. Where the parent company applies accounting principles other than the group's accounting principles, which are described in Note 2 to the consolidated financial statements, these are set out below. In connection with the transition to accounting in accordance with IFRS in the consolidated financial statements, the parent company has transitioned to applying *RFR 2 Accounting for Legal Entities*. The transition has not caused any change in previously reported income statements and balance sheets. The annual report has been prepared on a historical cost basis.

The preparation of reports in accordance with RFR 2 requires the use of some important estimates for accounting purposes. Furthermore, the management is required to make certain judgments in the application of the parent company's accounting principles. The areas that comprise a high degree of assessment, which are complex or such areas where assumptions and estimates are of significant importance for the annual report, are stated in Note 4 of the consolidated accounts.

Through its operations, the parent company is exposed to a variety of financial risks: market risk (currency risk and interest rate risk), credit risk and liquidity risk. The parent company's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimise potential adverse effects on the group's financial results. For more information on financial risks, see Note 3 to the consolidated financial statements. The parent company applies accounting principles other than the group in the cases stated below:

PRESENTATION

The income statement and balance sheet follow the format set out in the *Annual Accounts Act*. The report on changes in equity follows the group's presentation format but must contain the columns specified in the *Annual Accounts Act*. Furthermore, this means a difference in terms, compared to the consolidated accounts, mainly regarding financial income and expenses and equity.

CONTRIBUTIONS

Group contributions made from parent companies to subsidiaries and group contributions received to parent companies from subsidiaries are reported as appropriations. Paid shareholders' contribution is reported in the parent company as an increase in the carrying amount of the shares in the subsidiary and in the receiving company as an increase in equity.

FINANCIAL INSTRUMENTS

IFRS 9 Financial Instruments is not applied in the parent company. Instead, the parent company applies the items specified in *RFR 2 (IFRS 9 Financial Instruments, p. 3-10)*.

Financial instruments are valued at cost. In subsequent periods, financial assets that are acquired with the intention of being held in the short term will be reported at lower of cost and market. Derivative instruments with a negative fair value are recognised at this value. When calculating the net realisable value of receivables that are recognised as current assets, the principles for impairment testing and loss provisioning in IFRS 9 shall be applied. For a receivable that is recognised at amortised cost at group level, this means that the loss reserve recognised in the group in accordance with IFRS 9 must also be entered in the parent company.

LEASED ASSETS

The parent company has chosen not to apply *IFRS 16 Leases* but has instead chosen to apply *RFR 2 IFRS 16 Leases p. 2-12*. This policy choice means that no right-of-use assets or lease liabilities are recognised in the balance sheet. Instead, leasing fees are expensed on a straight-line basis over the lease period.

NOTE 2 NET SALES

The parent company has reported the following amounts in the income statement attributable to revenue:

NET SALES			
	2023	2022	2021
Net sales, see note 17	13,392	10,735	10,176
Total	13,392	10,735	10,176

NET SALES PER COUNTRY			
	2023	2022	2021
Sweden	13,392	10,735	10,176
Total	13,392	10,735	10,176

NOTE 3 FEES AND REMUNERATION TO AUDITORS

	2023	2022	2021
PwC			
– Audit engagement	305	290	260
– Other services	–	–	10
Total	305	290	270

NOTE 4 PERSONNEL COSTS**EMPLOYEE BENEFITS**

	2023	2022	2021
Salaries and other benefits	4,611	1,943	3,335
Social security charges	1,444	864	1,295
Pension expenses – defined contribution plan	1,063	629	1,019
Fees	4,425	5,284	4,115
Total	11,543	8,720	9,764

REMUNERATION, OTHER BENEFITS AND SOCIAL SECURITY CONTRIBUTIONS

	2023		2022		2021	
	Salary and other benefits	Social security contributions (whereof pension expenses)	Salary and other benefits	Social security contributions (whereof pension expenses)	Salary and other benefits	Social security contributions (whereof pension expenses)
Board of directors, CEO and other senior executives	6,286	2,927 (1,063)	2,277	899 (347)	4,578	2,583 (1,019)
Other employees	–	–	1,256	746 (282)	–	–
Total parent company	6,286	2,927 (1,063)	3,533	1,645 (629)	4,578	2,583 (1,019)

AVERAGE NUMBER OF EMPLOYEES SPLIT BY COUNTRY

	2023		2022		2021	
	Average	Whereof men	Average	Whereof men	Average	Whereof men
Sweden	2	1	1	1	2	1
Total parent company	2	1	1	1	2	1

SPLIT BY GENDER IN THE PARENT COMPANY FOR THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

	2023		2022		2021	
	At year-end	Whereof men	At year-end	Whereof men	At year-end	Whereof men
Board of directors	6	2	6	2	4	2
CEO and other senior executives	2	1	1	1	4	3
Total parent company	8	3	7	3	8	5

For information on remuneration to senior executives, see Note 7 in the consolidated financial statements.

NOTE 5 INTEREST INCOME, INTEREST EXPENSE AND SIMILAR ITEMS

	2023	2022	2021
Write-down of financial assets	-291,258	-108	-200,097
Interest costs	0	-	-37
Total interest expense and similar items	-291,258	-108	-200,134
Interest income	16	27	-
Total interest income	16	27	-
Financial items, net	-291,242	-81	-200,134

NOTE 6 TAXES**REPORTED TAX IN STATEMENT OF COMPREHENSIVE INCOME**

	2023	2022	2021
Current tax:			
Current tax expense	-	-	-
Adjustment of prior year tax income	-	-	-
Total current tax	-	-	-
Total taxes	-	-	-

The income tax on profit before tax differs from the theoretical amount that would have been obtained from the use of the tax rate for the parent company as follows:

	2023	2022	2021
Pre-tax loss	-298,705	-6,106	-207,546
Income tax calculated according to the tax rate in Sweden, 20.6%	61,533	1,258	42,754
<i>Tax effects from:</i>			
Non-taxable income	1	-	-
Non-deductible expenses	-60,003	-22	-41,220
Unused tax credits for which no deferred tax is recognised	-1,531	-1,236	-1,534
Total reported tax	-	-	-

NOTE 7 EQUIPMENT, TOOLS AND INSTALLATIONS

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Opening acquisition cost	909	909	909
Investments	-	-	-
Closing acquisition cost	909	909	909
Opening depreciations	-455	-270	-91
Depreciations	-182	-185	-179
Closing depreciations	-636	-455	-270
Net book amount	273	454	639

NOTE 8 SHARES IN SUBSIDIARIES

The parent company holds shares in the following subsidiaries:

Company	Corp. Reg. No	Registered office	No of shares	Carrying value Dec 31, 2023	Carrying value Dec 31, 2022	Carrying value Dec 31, 2021
InDex Pharmaceuticals AB	556704-5140	Stockholm, Sweden	60,281,586	5,872	247,030	247,030
InDex Pharmaceuticals AB						
				Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Opening acquisition value				794,235	794,127	594,030
Shareholders contribution				50,100	108	200,097
Closing acquisition value				844,335	794,235	794,127
Opening accumulated depreciations/write-downs				-547,205	-547,097	-347,000
Depreciations/write-downs				-291,258	-108	-200,097
Closing accumulated depreciations/write-downs				-838,463	-547,205	-547,097
Carrying value				5,872	247,030	247,030

NOTE 9 OTHER RECEIVABLES

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Tax account	215	1,151	1,237
Tax receivable	–	91	–
Other	14	93	–
Total	229	1,335	1,237

NOTE 10 PREPAID EXPENSES AND ACCRUED INCOME

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Prepaid rent	328	340	296
Prepaid insurance premiums	–	–	–
Other	338	117	114
Total	666	457	410

NOTE 11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the cash flow statement include the following:

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Bank accounts	21,939	42,490	99,793
Total	21,939	42,490	99,793

NOTE 12 SHARE CAPITAL

See Note 21 to the consolidated financial statements for information on the parent company's share capital.

NOTE 13 OTHER LIABILITIES

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Calculated employee contribution on pensions	4	–	6
Liability to the Tax Authority (VAT, employee withholding tax and social contributions)	871	415	456
Current liabilities to employees	–	–	–
Other	–	–	–
Total	885	415	462

NOTE 14 ACCRUED COSTS AND DEFERRED INCOME

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Accrued vacation salaries	469	–	574
Accrued social security charges	147	–	180
Other	1,746	630	1,056
Total	2,362	630	1,810

NOTE 15 PLEDGED ASSETS

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Bank guarantee, Euroclear	50	50	50
Bank guarantee, Akademiska Hus	537	537	537
Total	587	587	587

NOTE 16 OPERATIONAL LEASING

The parent company rents premises according to non-terminable operating lease agreements. The lease period is three years, and the agreement have been extended at the end of the lease period for a fee that corresponds to a market fee. Lease expenses amounting to SEK 1,180k (2022: SEK 1,017k, 2021: SEK 1,154k) for office leases are included in the statement of comprehensive income.

Future total minimum lease fees for non-cancellable operating leases are as follows:

	2023	2022	2021
Within 1 year	1,180	1,305	1,146
Between 1 and 5 years	1,671	1,848	478
Beyond 5 years	–	–	–
Total	2,851	3,153	1,624

NOTE 17 RELATED PARTY TRANSACTIONS

InDex Pharmaceuticals Holding AB controls the group. Related parties are all subsidiaries within the group as well as senior executives in the group and their affiliates. Transactions take place on market terms.

RELATED PARTY TRANSACTIONS			
	2023	2022	2021
Revenue from services			
Sales to group companies	13,392	10,735	10,176
Total	13,392	10,735	10,176
Procurement of services			
Purchases	0.0	0.0	0.0
Total	0.0	0.0	0.0

All costs for overall group functions, such as the Board, management and premises, etc. are reported in the parent company, InDex Pharmaceuticals Holding AB. Detailed calculations of the cost distribution between the group companies have been made, calculations that are regularly reviewed and form the basis for the cost distribution between the units. Based on these, internal charges are made and are then reported as internal sales as shown in the tables above.

RECEIVABLES AND LIABILITIES AT THE END OF THE YEAR AS A RESULT OF SALES AND PURCHASES OF GOODS AND SERVICES

	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021
Receivables from related parties:			
Receivables from group companies	213,462	247,536	196,921
Liabilities to related parties			
Liabilities to group companies	–	–	–
Total	213,462	247,536	196,921

The parent company has no provisions for bad debts attributable to related parties. The parent company has also not reported any costs relating to bad debts on related parties during the period. No collateral is provided for the debts.

The receivables from related parties are largely related to sales transactions and fall due 1 month after the date of the sale.

The debts to related parties are largely derived from purchase transactions and fall due 1 month after the date of purchase.

Remunerations to senior executives is shown in Note 7, consolidated accounts.

NOTE 18 PROPOSED DISTRIBUTION OF EARNINGS**THE FOLLOWING RETAINED EARNINGS ARE AT THE DISPOSAL OF THE ANNUAL GENERAL MEETING**

SEK	
Retained earnings	526,927,636
Net result	-298,705,288
	228,222,348
The Board's suggestion to be brought forward	228,222,348

Signatures

The consolidated income statement and balance sheets will be submitted to the Annual General Meeting on May 7, 2024 for adoption.

The Board and the CEO ensure that the consolidated accounts have been prepared in accordance with international accounting standards IFRS as adopted by the EU and give a true and fair view of the group's position and earnings.

The annual report has been prepared in accordance with generally accepted accounting principles and gives a true and fair view of the parent company's position and earnings.

The Directors' Report for the group and the parent company provides a true and fair view of the development of the group's and the parent company's operations, position and results and describes the significant risks and uncertainties that the parent company and the companies that are part of the group face.

Stockholm March 20, 2024

Wenche Rolfsen
Chairman of the Board

Karin Bernadotte af Wisborg

Marlene Forsell

Anna-Kaija Grönblad

Uli Hacksell

Lennart Hansson

Jenny Sundqvist
CEO

Our audit report was submitted on March 20, 2024

PricewaterhouseCoopers AB

Magnus Lagerberg
Authorised Public Accountant

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

Auditor's report



Unofficial translation

To the general meeting of the shareholders of InDex Pharmaceuticals Holding AB, corporate identity number 559067-6820

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of InDex Pharmaceuticals Holding AB for the year 2023 (the financial year 2023). The annual accounts and consolidated accounts of the company are included on pages 6-41 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the statement of total comprehensive income and balance sheet for the group and the income statement and balance sheet for the parent company.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Emphasis of matter

As stated in the management report under the heading Significant events after the reporting period, the company has decided to discontinue the development of the drug candidate cobitolimod and will not continue the development of its other substances. In light of this, the company is evaluating various options to maximize shareholder value, including options such as merger and reverse acquisition, as well as liquidation of the company. Under the heading Expected future development, it is stated that the company has sufficient capital to finance the remaining operations for the next 12-month period. We have not modified our opinion in this regard.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-5 and 44-49. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as it determines is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of InDex Pharmaceuticals Holding AB for the year 2023 (the financial year 2023) and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of

the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Stockholm March 20, 2024
PricewaterhouseCoopers AB

Magnus Lagerberg
Authorized Public Accountant

Corporate governance report

LEGISLATION AND ARTICLES OF ASSOCIATION

InDex is a Swedish public limited liability company and is governed by Swedish legislation, mainly the *Swedish Companies Act* (Sw. *Aktiebolagslagen* (2005:551)) and the *Swedish Annual Accounts Act* (Sw. *Årsredovisningslagen* (1995:1554)). The company is listed on Nasdaq First North Growth Market Stockholm ("First North") and apply the First North Rulebook. In addition to legislation and the First North Rulebook, the company's articles of association and its internal guidelines for corporate governance form the basis for the company's corporate governance. The articles of association, to be found on the company's website, contain e.g. the seat of the board of directors, the focus of the business activities, the limits for the share capital and number of shares and the conditions for participation at general meetings. The most recently adopted and registered articles of association were adopted at the extraordinary general meeting held on May 24, 2023.

THE SWEDISH CODE OF CORPORATE GOVERNANCE

The Swedish Code of Corporate Governance (the "Code") defines a norm for good corporate governance at a higher level of ambition than the Swedish Companies Act's minimum requirements and applies to companies whose shares are being traded on a regulated market in Sweden. Currently, the Code is not binding to companies whose shares are listed on First North; thus, the Code is not binding to the company. However, the Code is an important part of the company's internal guidelines for corporate governance.

GENERAL MEETINGS

The shareholders' influence in the company is exercised at general meetings, which, in accordance with the Swedish Companies Act, is the company's highest decision-making body. As the company's highest decision-making body, the general meeting may resolve upon every issue for the company, not specifically reserved for another corporate body's exclusive competence. Thus, the general meeting has a sovereign role over the board of directors and the CEO. Notices, minutes and bulletins from general meetings are made available on the company's website.

At annual general meetings, which according to the Swedish Companies Act shall be held within six months from the end of each financial year, resolutions must be passed on adoption of the profit and loss account and balance sheet for the parent company and the group, allocation of the parent company's profit or loss, discharge from liability for the board of directors and the CEO, elections of members of the board of directors and auditor and on remuneration for the board of directors and the auditor. At general meetings, the shareholders also resolve on other key matters in the company, such as amending of the articles of association, any issue of new shares etc. If the board of directors considers there is reason to hold a general meeting before the next annual general meeting, or if an auditor of the company or owners of at least one-tenth of all shares in the company so demand in writing, the board of directors must issue a notice to convene an extraordinary general meeting.

Notice to attend a general meeting shall, in accordance with the company's articles of association, be made by announcement in the Swedish Official Gazette (Sw. *Post och Inrikes Tidningar*) and by making the notice available on the company's website. At the same time as notice is made, it shall be announced in *Dagens Industri* that a notice has been

made. Notice of a general meeting must be issued no earlier than six weeks and no later than two weeks before the meeting.

All shareholders who are registered directly in the company's share register, kept by Euroclear, six (6) banking days prior to the general meeting (i.e. on the record date) and who notify the company of their intention to attend the general meeting no later than the date specified in the notice of the meeting shall be entitled to attend and vote at the general meeting, either in person or through a proxy. A shareholder may be accompanied by assistants at general meetings upon notification. Each shareholder of the company submitting a matter with sufficient foresight has the right to have the matter addressed at the general meeting.

To be able to determine who is entitled to participate and vote at general meetings, Euroclear shall, upon the request of the company, supply the company with a list of all holders of shares on the record date in connection with each general meeting. Shareholders who have their shares registered in the name of a nominee must request temporary entry in the transcription of the share register kept by Euroclear (so-called voting rights registration) in order to be entitled to participate and vote for their shares at the meeting. The shareholder must inform the nominee well in advance of the record date, at which time the register entry must have been made. Voting rights registration that has been requested by the shareholder at such time that the registration has been completed by the nominee no later than four (4) banking days prior to the general meeting, will, however, be taken into account in the preparation of the share register. Shareholders who have their shares directly registered on an account in the Euroclear system will automatically be included in the list of shareholders.

At the Annual General Meeting on June 1, 2021 it was decided to adopt rules of procedure for the nomination committee. The main duties and responsibilities of the nomination committee are to propose candidates for the post of chairman and other members of the board of directors. The nomination committee also proposes fees and other remuneration to the members of the board of directors as well as makes proposals on the election and remuneration of the auditor.

The board of directors proposes that the general meeting resolves on principles for the appointment of and instructions for the nomination committee to apply until the general meeting decides otherwise. The nomination committee shall consist of the chairman of the board of directors and four members appointed by the four largest shareholders by votes at the end of the third quarter each year. The "the four largest shareholders by votes" shall hereinafter also include known shareholder groups. The chairman of the board of directors shall annually contact the shareholders who are entitled to appoint a member. Should any of the entitled shareholders waive their right to appoint a member to the nomination committee, the right is transferred to the fifth largest shareholder by votes, and so on. However, no more than five additional shareholders need be contacted, unless the chairman of the board of directors finds that there are special reasons for doing so. When a shareholder is contacted with a request to appoint a representative of the nomination committee, the chairman of the board of directors shall set out the requisite rules of procedure, such as the last date of response, etc.

The names of the members of the nomination committee and the names of the shareholders appointing members shall be made public no later than six months prior to the annual

general meeting. The nomination committee appoints a chairman among its members. The chairman of the board of directors shall not be the chairman of the nomination committee. Should a member resign before the work of the nomination committee is concluded, and if deemed appropriate by the nomination committee, a replacement member shall be appointed by the shareholder that appointed the member who resigned, or, if that shareholder no longer represents one of the four largest shareholders by votes, by the shareholder representing such group. If a shareholder who has appointed a certain member has substantially decreased its shareholding in the company, and the nomination committee does not deem it inappropriate in view of a potential need of continuity prior to an impending general meeting, the member appointed by such shareholder shall resign from the nomination committee and the nomination committee shall offer the largest shareholder who has not yet appointed a member of the nomination committee to appoint a new member.

The nomination committee shall further be composed and perform such tasks that from time to time are stated in the Swedish Corporate Governance Code. The members of the nomination committee shall not receive remuneration from the company. Any costs incurred in connection with the work of the nomination committee shall be paid by the company, provided that they have been approved by the chairman of the board of directors.

The nomination committee before the annual general meeting 2024, as communicated on October 30, 2023, has consisted of Karl Tobieson, chairman, and appointed by Linc, Ivo Staijen appointed by HBM Healthcare Investments, Jan Särilvik appointed by Fjärde AP-fonden, Björn Wasing appointed by SEB-Stiftelsen and S-E-Bankens Utvecklingsstiftelse and Wenche Rolfsen, chairman of the board of directors.

BOARD OF DIRECTORS

Subsequent to the general meeting, the board of directors is the company's highest decision-making body. The board of directors is also the company's highest executive body and the company's representative. Further, the board of directors is, according to the Swedish Companies Act, responsible for the organisation of the company and management of the company's affairs and must regularly assess the company's and the group's financial position and ensure that the company's organisation is arranged so that the company's accounts, asset management, and finances in general are satisfactorily monitored. The chairman of the board of directors has a particular responsibility to preside over the work of the board of directors and to ensure that the board of directors fulfils its statutory duties.

According to the company's articles of association, the board of directors shall consist of a minimum of three (3) and a maximum of ten (10) ordinary members, without deputy members. Members of the board are elected annually at an annual general meeting for the period until the next annual general meeting. There is no limit in time for how long a member may be on the board of directors.

The company's board of directors is currently composed of Wenche Rolfsen (chairman), Karin Bernadotte af Wisborg, Marlene Forsell, Anna-Kajja Grönblad, Uli Hacksell and Lennart Hansson. Further information about the members of the board, can be found under the "Board of directors, senior management and auditors" section above.

The responsibilities of the board of directors include e.g. to set the company's overall goals and strategies, oversee major investments, ensure that there is a satisfactory process for monitoring the company's compliance with laws and other regulations relevant to the company's operations, as well as the compliance with internal guidelines. The responsibilities of the board of directors also include ensuring that the company's disclosure to the market and investors is

transparent, correct, relevant and reliable and to appoint, evaluate and, if necessary, dismiss the company's CEO.

The board of directors has, in accordance with the Swedish Companies Act, adopted written rules of procedure for its work, which will 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.

Provisions on the establishment of audit committees are found in the Swedish Companies Act. Provisions on the establishment of remuneration committees are found in the Code. In this respect, the provisions of the Swedish Companies Act only apply to companies whose shares are being traded on a regulated market, which does not include First North, and, as noted above in this section, the Code is not binding to the company. In light of the scope of the operations and the group's current size, it is the opinion of the company's board of directors that it is presently not justified to establish specific audit or remuneration committees. Instead, the board of directors believes that the responsibilities of the committees are best addressed within the board of directors. It is the company's board of directors' responsibility to ensure transparency and control of the company's operations through reports and contacts with the company's auditor.

CEO AND OTHER SENIOR EXECUTIVES

The company's CEO is, in accordance with the provisions of the Swedish Companies Act, responsible for the day-to-day management of the company in line with guidelines and instructions from the board of directors. Measures of an unusual nature or of great significance in view of the scope and nature of the company's operations are not considered as "day-to-day management" and should therefore, as a main rule, be prepared and presented to the board of directors for its decision. The CEO must also take any measures necessary to ensure that the company's accounts are maintained in accordance with applicable law and that its asset management is conducted satisfactorily. The CEO is subordinated to the board of directors, and the board of directors itself may also decide on matters that are a part of the day-to-day management. The work and role of the CEO as well as the allocation of duties between, on the one hand, the board of directors and, on the other, the CEO is established by written instructions (a so called "Instruction for the CEO") by the board of directors and the board of directors continuously evaluates the work of the CEO.

INTERNAL CONTROL AND AUDIT

The company's board of directors is, according to the Swedish Companies Act, responsible for the organisation of the company and management of the company's affairs, must regularly assess the company's and the group's financial position and ensure that the company's organisation is arranged so that the company's accounts, asset management, and finances in general are satisfactorily monitored. The rules of procedure adopted by the board of directors for its work contains instructions for internal financial reporting, and all interim reports and press releases are published on the company's website upon publication.

Being a public company, the company must have at least one auditor for the review of the company's and the group's annual report and accounts as well as the management by its board of directors and CEO. The review must be as detailed and extensive as required by generally accepted auditing standards. The company's auditor is, according to the Swedish Companies Act, appointed by the general meeting. Thus, auditors of Swedish limited liability companies are given their assignment by, and are obliged to report to, the general meeting, and must not allow their work to be governed or influenced by the board of directors or the senior management.

Board of directors, senior management and auditors



PROF. WENCHE ROLFSEN

Chairman since 2011.

Born: 1952.

Current assignments: Board member of Cinclus Pharma Holding. In addition, partner in Serendipity Partners.

Experience: Managerial positions at Pharmacia and Quintiles. Board member of several listed companies. Former associate Professor in Pharmacology at Uppsala University.

Holdings: Direct holdings of 268,400 shares, indirect holdings of 487,344 shares.



KARIN BERNADOTTE AF WISBORG

Board member since 2022.

Born: 1963.

Current assignments: –.

Experience: Senior management positions at MSD, such as responsible for the Balkan region and before that responsible for Public Affairs in Europe & Canada and CEO of MSD Sweden. Master of Science in Pharmacy.

Holdings: –.



MARLENE FORSELL

Board member since 2020.

Born: 1976.

Current assignments: Board member of Nobia, STG Group, Kambi Group, Lime Technologies and Addsecure.

Experience: CFO for Swedish Match, 2013-2018 and from 2004 in several leading financial positions at the same company. Advisor within M&A at EY. MSc in Economics at Stockholm School of Economics.

Holdings: –.



ANNA-KAIJA GRÖNBLAD

Board member since 2022.

Born: 1968.

Current assignments: –.

Experience: Senior commercial positions at Sanofi. Former CEO of Kirurgkliniken at Sophiahemmet and Sanofi Sweden. Works today as Chief Commercial Officer at BioArctic. MSc in Economics from Uppsala University.

Holdings: –.



PROF. ULI HACKSELL

Board member since 2016.

Born: 1950.

Current assignments: Chairman of Medivir, Annexin Pharmaceuticals and Synact Pharma. Board member of Active Biotech.

Experience: CEO and chairman of Cerecor, CEO of ACADIA Pharmaceuticals and managerial positions at Astra. Professor in organic chemistry at Uppsala University.

Holdings: Direct holdings of 408,000 shares.



DR. LENNART HANSSON

Board member since 2011.

Born: 1956.

Current assignments: Chairman of Cinclus Pharma Holding, Sixera Pharma and Ignitus. Board member of Medivir and QureTech Bio.

Experience: Former head of Life Science investments at Industrifonden, CEO of Arexis and managerial positions at AstraZeneca, Biovitrum and KabiGen. PhD in genetic from Umeå University.

Holdings: Indirect holdings of 432,000 shares.

All board members are independent in relation to InDex, InDex's management and InDex's major shareholders.

**JENNY SUNDQVIST**

CEO since January 1, 2023.

Born: 1971.

Current assignments: –.

Experience: Extensive experience of research organizations and marketing of approved medicines. Previously been Chief Commercial Officer at Isofol Medical, portfolio manager for AstraZeneca's global oncology research and global market manager for AstraZeneca's asthma product Symbicort. BSc in International Trade & Finance from Louisiana State University and an MBA from McCombs School of Business.

Holdings: Direct holding of 121,951 shares and 1,930,700 employee stock options (LTIP 2022) and 1,930,700 employee stock options (LTIP 2023).

**JOHAN GILÉUS**

Chief Financial Officer (CFO) since 2017.

Deputy CEO since January 2023.

Born: 1965.

Current assignments: Board member of Gileus Consulting and Gileus Invest.

Experience: Former Partner at Deloitte focusing on M&A, financial reporting and stock market issues as well as former board member and chairman of the audit committee in Haldex and BHG Group. Studies in business administration at Stockholm University.

Holdings: Direct holdings of 240,000 shares and indirect holding of 150,000 shares. Direct holding of 772,300 employee stock options (LTIP 2021), 772,300 employee stock options (LTIP 2022) and 772,300 employee stock options (LTIP 2023).

**DR. CHARLOTTE ADMYRE**

Chief Scientific Officer (CSO) since May 2022.

Born: 1979.

Current assignments: –.

Experience: More than 15 years of experience from InDex where she has held several key positions within research and development, business development and investor relations. PhD in Immunology and a Master of Biomedicine from the Karolinska Institutet.

Holdings: Direct holdings of 9,036 shares. Direct holding of 338,000 employee stock options (LTIP 2021), 772,300 employee stock options (LTIP 2022) and 772,300 employee stock options (LTIP 2023).

**DR. EVA ARLANDER**

Chief Development Officer (CDO) since May 2022.

Born: 1964.

Current assignments: –.

Experience: Extensive experience from the pharmaceutical industry and has held senior positions at e.g. AstraZeneca, Medivir and Affibody with a main focus on clinical development. Department head at the Medical Products Agency. Pharmacist and holds a PhD in clinical pharmacology from the Karolinska Institutet.

Holdings: Direct holdings of 772,300 employee stock options (LTIP 2022) and 772,300 employee stock options (LTIP 2023).

AUDITORS

PricewaterhouseCoopers AB with the authorised auditor Magnus Lagerberg as public accountant in charge since 2017.

Note: The years refer to InDex Pharmaceuticals AB as applicable.

Holdings per December 31, 2023.

The share

InDex Pharmaceuticals Holding AB's share is listed on Nasdaq First North Growth Market Stockholm since October 11, 2016 under the ticker symbol INDEX and with the ISIN code SE0008966295. The share is included in the Health Care segment.

SHARE PRICE DEVELOPMENT AND TURNOVER OF SHARES

The share price as of December 31, 2023, was SEK 0.26, which corresponded to a market cap of SEK 136 million. The highest share price paid on Nasdaq First North Growth Market Stockholm during 2023 was SEK 0.93 and the lowest share price paid was SEK 0.20. During 2023, 222,071,036 shares were traded on Nasdaq First North Growth Market Stockholm corresponding to a value of SEK 89 million.

SHAREHOLDERS

InDex had as of December 31, 2023, 4,814 shareholders according to Euroclear. The 15 largest shareholders in InDex held approximately 59.7 percent of the capital and the votes.

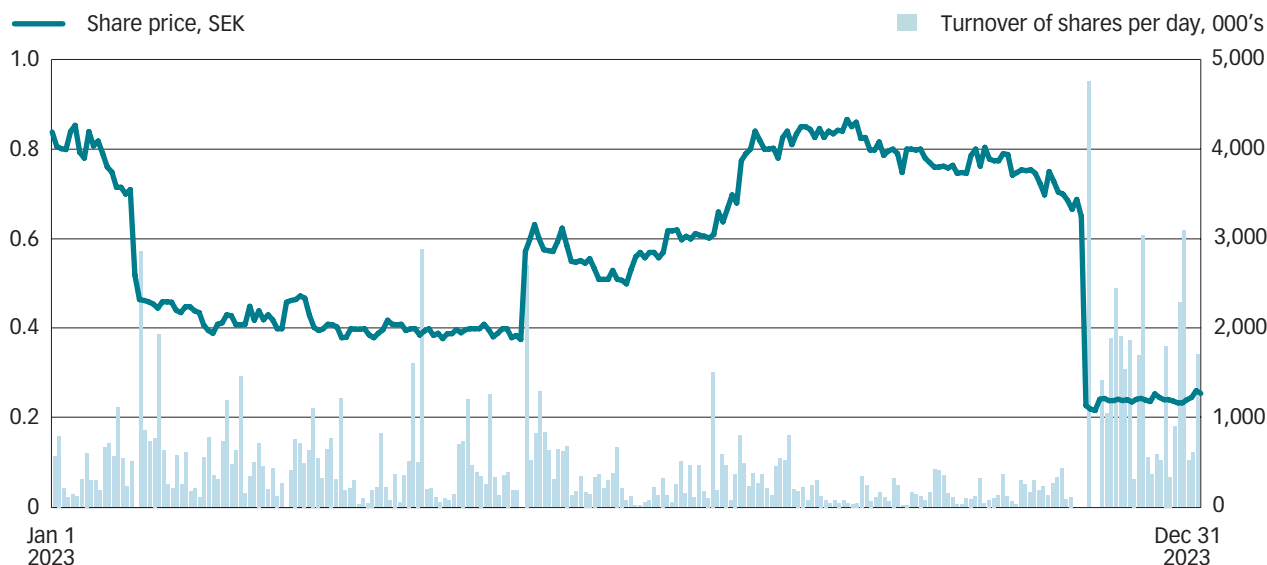
CERTIFIED ADVISER

According to the rules of Nasdaq First North Growth Market Stockholm a listed company needs to appoint a Certified Adviser to conduct certain surveillance tasks. Redeye AB is the company's Certified Adviser.

LARGEST SHAREHOLDERS AS OF DECEMBER 31, 2023

	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	24,883,601	4.7
SEB-Stiftelsen	19,047,617	3.6
SEB Life International Assurance	18,857,684	3.5
Nordnet Pensionsförsäkring	13,811,812	2.6
Stiftelsen Industrifonden	12,865,296	2.4
Swedbank försäkring AB	12,201,330	2.3
Staffan Rasjö	10,363,353	2.0
S-E-Bankens Utvecklingsstiftelse	10,000,000	1.9
Orignat AB	7,000,000	1.3
Ponderus Invest AB	6,200,000	1.2
Försäkringsbolaget Skandia	5,606,884	1.1
Edward Thornberg	4,620,544	0.9
Other	215,264,330	40.3
Total	532,687,650	100.0

SHARE PRICE AND TURNOVER OF SHARES



The trading volume was extremely high during eight days. These are therefore provided separately and thus not included in the graph.

January 27, 2023 – 5,999,636 shares,
 March 15, 2023 – 9,024,627 shares,
 June 1, 2023 – 13,201,304 shares,
 November 22, 2023 – 41,903,822 shares,
 November 23, 2023 – 10,827,652 shares,
 November 24, 2023 – 5,842,066 shares,
 November 28, 2023 – 11,182,938 shares,
 November 29, 2023 – 5,259,969 shares.

OWNERSHIP STRUCTURE BY SIZE OF HOLDINGS AS OF DECEMBER 31, 2023

Holding	Number of shareholders	Number of shares	Percentage of capital and votes
1-500	800	142,077	0.0
501-1,000	482	382,247	0.1
1,001-5,000	1,170	3,289,286	0.7
5,001-10,000	703	5,342,454	1.0
10,001-15,000	335	4,220,920	0.8
15,001-20,000	239	4,357,977	0.8
20,001-	1,085	514,952,689	96.6
Total	4,814	532,687,650	100.0

DEVELOPMENT OF SHARE CAPITAL

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



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