

Flerie explores the conditions for carrying out a directed issue of ordinary shares of up to approximately SEK 600 million of which approximately SEK 520 million is pre-committed

11 June 2024 – Flerie AB[1] (“Flerie” or the “Company”) yesterday, on 10 June 2024, announced the completion of the acquisition of all shares in Flerie Invest AB through an issue in kind (the “Acquisition”). Through the Acquisition, Flerie Invest AB will become a wholly-owned subsidiary of Flerie. As previously announced, Flerie intends to raise capital through a directed share issue and have therefore appointed Carnegie Investment Bank AB (publ) (“Carnegie”) and DNB Markets, a part of DNB Bank ASA, Sweden branch (“DNB Markets”) as joint bookrunners (the “Joint Bookrunners”) to investigate the conditions for carrying out a directed issue of ordinary shares of up to approximately SEK 600 million through a bookbuilding procedure (the “Capital Raise”), of which approximately SEK 520 million is pre-committed. The Capital Raise is intended to be primarily directed to Swedish and international institutional investors.

Summary

- As separately announced yesterday, on 10 June 2024, Flerie's acquisition of all shares in Flerie Invest AB has been completed. The Acquisition was approved by an Extraordinary General Meeting held earlier on the same date (the “EGM”). The EGM also approved the issue in-kind of consideration shares for the Acquisition (the “**Consideration Shares**”), the authorization to issue shares for the Capital Raise, the election of new Board members and new auditor, as well as other matters that follow from the Acquisition.
- Through the Capital Raise, the Company will raise at least approximately SEK 520 million as per pre-commitments from a number of institutional investors (see further below), prior to transaction costs. The total number of newly issued ordinary shares in the Capital Raise will be determined through a bookbuilding procedure, which will commence immediately following the announcement of this press release and is expected to end before trading commences on Nasdaq First North Growth Market on 14 June 2024.
- The subscription price in the Capital Raise will be the same as for the Consideration Shares, i.e. SEK 0.506 per ordinary share. Flerie intends to use the net proceeds from the Capital Raise to fulfil its capital commitments, make add-on investments in current portfolio companies to accelerate their development and to improve the liquidity.
- As per 31 May 2024, the net asset value (NAV) per share of Flerie Invest AB was SEK 32.37[2], and hence, the net asset value (NAV) per share of Flerie was approximately SEK 0.60[3].
- A number of institutional investors, including the Company's existing shareholders the Fourth Swedish National Pension Fund, HBM Healthcare Investments, Linc AB and SEB Stiftelsen, have undertaken to subscribe for new shares in the Capital Raise, and the aggregate pre-commitments received from investors amount to approximately SEK 520 million (the “**Pre-Commitments**”). Those investors who have provided the Pre-Commitments will receive full allocation.

Background

As previously announced, on 20 May 2024, InDex Pharmaceuticals Holding AB (publ) ("InDex Pharmaceuticals"), whose name will be changed to Flerie AB, entered into an agreement to acquire all shares in Flerie Invest AB. The consideration was to be made through an issue in kind of 6,073,952,948 new shares in the Company, following which Flerie Invest AB's shareholders will initially hold approximately 91.9 per cent of the shares and the existing shareholders will initially hold approximately 8.1 per cent of the shares in InDex Pharmaceuticals.

Flerie Invest AB was valued at approximately SEK 3,073 million in the Acquisition, based on reported net asset value as of 31 March 2024 with a discount of 10 per cent, and InDex Pharmaceuticals was valued at approximately SEK 269 million, which corresponded to InDex Pharmaceuticals estimated cash position after closing costs with a premium of 20 per cent. These valuations entailed a subscription price in the Acquisition of approximately SEK 0.506 per Consideration Share. As further announced on 10 June 2024, the EGM approved the Acquisition and the Acquisition was completed. As per 31 May 2024, the net asset value (NAV) per share of Flerie Invest AB was SEK 32.37, and hence, the net asset value (NAV) per share of Flerie was approximately SEK 0.60.

Capital Raise

Flerie's intention is to carry out the Capital Raise with deviation from the shareholders' preferential rights, based on the authorization granted by the EGM. The subscription price in the Capital Raise will be SEK 0.506, which is the same as the subscription price of the Consideration Shares.

The total number of newly issued shares in the Capital Raise will be determined through a bookbuilding procedure, which will commence immediately following the announcement of this press release and is expected to end before trading commences on Nasdaq First North Growth Market on 14 June 2024. The bookbuilding procedure may close earlier or later and may be cancelled at any point in time without prior notification. Flerie will announce the outcome of the Capital Raise through a press release after the closing of the bookbuilding procedure.

The purpose of the Capital Raise, and the reasons for the deviation from the shareholders' preferential right, is to diversify the shareholder base of the Company in order to meet the liquidity requirements for a listing on, initially, Nasdaq First North Growth Market and, subsequently, Nasdaq Stockholm (for more information, please see section "*Admission to trading on Nasdaq Stockholm*"), to ensure continued financing of Flerie in immediate connection to the implementation of the Acquisition, and to have flexibility to make add-on investments in current portfolio companies to accelerate their development and to improve the liquidity, as well as, strengthen the shareholder base with Swedish and international institutional investors. With the above considered, the Board of Directors of Flerie has made the assessment that a directed issue of ordinary shares with deviation from the shareholders' preferential rights is the most favourable alternative for the Company to carry out the capital raising and is in the best interest of the Company's shareholders. The Board of Directors thus considers that the reasons outweigh the main rule that new share issues are to be carried out with preferential rights for the shareholders.

Since the subscription price in the Capital Raise corresponds to the subscription price for the Consideration Shares, which was based on a valuation of InDex Pharmaceuticals as standalone listed entity (i.e. prior to the Acquisition) that has been subject to arm's-length negotiations with the sellers of Flerie Invest AB, the Board of Directors of Flerie considers that the subscription price in the Capital Raise is market-based.

Through the Capital Raise, the Company will raise at least approximately SEK 520 million as per the Pre-Commitments, prior to transaction costs. Flerie intends to use the net proceeds from the Capital Raise to fulfil its capital commitments, make add-on investments in current portfolio companies to accelerate their development and to improve the liquidity.

A number of institutional investors, including the Company's existing shareholders the Fourth Swedish National Pension Fund, HBM Healthcare Investments, Linc AB and SEB Stiftelsen, have undertaken to subscribe for new shares in the Capital Raise, and the aggregate pre-commitments received from investors amount to approximately SEK 520 million. Those investors who have provided the Pre-Commitments will receive full allocation.

Investors in the Capital Raise are required to undertake not to utilise the right as a shareholder in the Company to request conversion of ordinary shares into shares of series C in the Company under the redemption program until 2026 (for more information, please see section "*Voluntary share redemption program*" below).

Lock-up

Flerie will undertake towards the Joint Bookrunners, for a period of 360 days from and including today, 11 June 2024, not to, without Carnegie's approval, propose or take measures that entail an increase in the share capital, new share issues and similar measures, with certain exceptions, for example in connection with acquisitions or establishment of incentive programs. Thomas Eldered's directly and indirectly wholly-owned companies T&M Förvaltning AB and T&M Participation AB (the "**Major Shareholders**"), as well as Flerie's Board and management will undertake towards the Joint Bookrunners not to, without Carnegie's approval, sell or otherwise transfer or dispose of their shares in Flerie, subject to certain exceptions. This lock-up period will last for 360 days from completion of the Acquisition for the Major Shareholders, and 180 days from completion of the Acquisition for Flerie's Board and management.

Admission to trading on Nasdaq Stockholm

The Company intends to carry out an uplisting from Nasdaq First North Growth Market to Nasdaq Stockholm. Provided that Nasdaq Stockholm approves the Company's application for admission to trading, the first day of trading on Nasdaq Stockholm is planned to take place around 27 June 2024.

Voluntary share redemption program

The Company has established an annual voluntary share redemption program from and including 2025 in order to increase the liquidity of the shares of Flerie. Through the redemption program, shareholders are proposed to have the right during an annual conversion period, to occur during the last week of March, to request the conversion of their ordinary shares into a new class of shares, convertible and redeemable class C shares. Conversion can take place of up to five (5) per cent of the total number of outstanding shares. If the number of ordinary shares notified for conversion exceeds this limit, distribution shall be made in proportion to the number of ordinary shares that each shareholder has requested for conversion.

As soon as possible following announcement of the interim report for the first quarter, Flerie shall redeem all outstanding class C shares at a redemption amount per share corresponding to the net asset value (NAV) per share as of 31 March. During 2025, certain different time periods will apply for the redemption program.

The Major Shareholders and investors that have provided Pre-Commitments have undertaken not to exercise the redemption program prior to 2029 and 2026, respectively, and any additional investors in the Capital Raise will, by subscribing for shares in the Company, undertake not to exercise the redemption program prior to 2026.

Advisors

Carnegie is Sole Global Coordinator and Joint Bookrunner and DNB Markets is Joint Bookrunner in connection with the Capital Raise. Setterwalls Advokatbyrå is legal advisor to Flerie in connection with the Capital Raise. White & Case is legal advisor to Carnegie and DNB Markets in connection with the Capital Raise.

For more information:

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Flerie in brief

Flerie is an active long-term life science investor, with a broad and diversified portfolio of innovative companies with pioneering innovations. We invest in product development and commercial growth opportunities globally alongside other leading investors, focusing predominantly on private companies that are otherwise difficult to access. Flerie's active ownership model, broad network and resources support and accelerate the development of the portfolio and projects, creating value for shareholders. Redeye is the company's Certified Advisor. The Company's shares (ticker INDEX) are traded on Nasdaq First North Growth Market Stockholm.

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This press release is not a prospectus for the purposes of Regulation (EG) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Capital Raise. In any EEA member state, this communication is only addressed to and is only directed at "qualified investors" in that member state within the meaning of the Prospectus Regulation.

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The Joint Bookrunners are acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

This press release does not constitute a recommendation concerning any investor's decision regarding the Capital Raise. The information contained in press release is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this press release or its accuracy or completeness. This press release does not purport to identify or suggest the risks (direct or indirect) which may be associated with an investment in the Company or the new shares. Each investor or potential investor should conduct his, her or its own investigation, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, assessments, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release. Readers of this press release should not place

undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertakes to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MIFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the current shares in the Company have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares in the Company may decline and investors could lose all or part of their investment; the shares in the Company offer no guaranteed income and no capital protection; and an investment in the shares in the Company is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Capital Raise.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in the Company.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.

This is a translation of the Swedish version of the press release. In case of discrepancies, the Swedish wording shall prevail.

[1] Under name change from InDex Pharmaceuticals Holding AB (publ).

[2] On the basis of 112,578,947 shares outstanding in Flerie Invest AB as per the date of this press release.

[3] On the basis that each share in Flerie Invest AB corresponded to approximately 54 newly issued shares in Flerie in the share issue in kind completed on 10 June 2024 as part of the Acquisition.

Attachments

[Flerie explores the conditions for carrying out a directed issue of ordinary shares of up to approximately SEK 600 million of which approximately SEK 520 million is pre-committed](#)