



Press release, June 2, 2016

Diamyd Medical's associated company Cellaviva withdraws new share issue

Diamyd Medical (Nasdaq Stockholm First North, DMYD B) announces that its associated company Cellaviva has withdrawn a new share issue due to low participation in the issue.

The issue was contingent upon a minimum subscription of MSEK 10.7 of a maximum subscription of MSEK 11.5. Diamyd Medical's shareholding in Cellaviva is recognized at approximately MSEK 13.5. An impairment of the carrying amount may be required.

About Diamyd Medical

Diamyd Medical is dedicated to finding a cure for autoimmune diabetes through pharmaceutical development and investments in stem cell and medical technology.

Diamyd Medical develops the diabetes vaccine Diamyd[®], an Antigen Based Therapy (ABT) based on the exclusively licensed GAD-molecule. The Company's licensed technologies for GABA and Gliadin have also potential to become key pieces of the puzzle of a future solution to prevent, treat or cure autoimmune diabetes, and also certain inflammatory diseases. At this time six clinical studies are ongoing with Diamyd[®]. Diamyd Medical is with its holdings of 45% one of the major shareholders in the stem cell company Cellaviva AB. Stem cells can be expected to be used in Personalized Regenerative Medicine (PRM), for example for restoration of beta cell mass in diabetes patients where the autoimmune component of the disease has been arrested. Diamyd Medical also has holdings in the medtech company Companion Medical, Inc., San Diego, USA and in the gene therapy company Periphagen, Inc., Pittsburgh, USA.

Diamyd Medical's B-share is traded on Nasdaq Stockholm First North under the ticker DMYD B. Remium Nordic AB is the Company's Certified Adviser.

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