



Press release, September 27, 2017

Update on the strategic development of the study drug Remygen®

Diamyd Medical has filed a preliminary patent application on the formulation and release characteristics of the GABA-based study drug Remygen®. Based on the feedback from a scientific meeting yesterday with the Swedish Medical Products Agency, and in collaboration with Diamyd Medical's scientific network, the Company will now commence designing the first clinical trial based on Remygen® and defining the long-term drug development strategy.

“The development of Remygen® marks a significant milestone for Diamyd Medical,” says Ulf Hannelius, CEO of Diamyd Medical. “We can now see the results of the strategic decision and investment made a year ago, that has given the company full control over the manufacturing process and development of our own proprietary GABA-based study drug.”

About Remygen®

Remygen® is a patent-pending GABA-based study drug with specific release and pharmacokinetic characteristics manufactured under GMP. GABA, the active substance in Remygen®, has been shown in clinical trials in healthy volunteers to enhance insulin secretion, and several preclinical studies support its effects on regenerating insulin producing beta cells, reducing inflammation and enhancing the effect of antigen-specific immunotherapy.

About Diamyd Medical

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

Diamyd Medical develops the diabetes vaccine Diamyd®, for antigen-specific immunotherapy based on the exclusively licensed GAD-molecule. Four clinical trials are ongoing with Diamyd®. The Company's trial DIAGNODE-2, where the diabetes vaccine is administered directly into the lymph node, is expected to start recruiting patients this fall. Diamyd Medical also develops Remygen®, a proprietary GMP manufactured oral GABA-based study drug. An investigator initiated placebo controlled trial with GABA and Diamyd® in patients recently diagnosed with type 1 diabetes is ongoing at the University of Alabama. An exclusive license for GABA for the treatment of diabetes and inflammatory diseases constitutes alongside with the diabetes vaccine Diamyd® and Remygen® key assets in Diamyd Medical. Diamyd Medical is one of the major shareholders in the stem cell company NextCell Pharma AB. 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 First North under the ticker DMYD B. FNCA Sweden AB is the Company's Certified Adviser.

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