



Press release, August 23, 2018

Diamyd Medical exercises all of its warrants in NextCell Pharma

Diamyd Medical invests another SEK 1.5 million in the stem cell company NextCell Pharma AB by exercising all of the Company's warrants of the TO1 Series in NextCell Pharma. Diamyd Medical holds 296,800 warrants, corresponding to approximately 10.4 % of the total number of outstanding warrants.

Diamyd Medical is one of the main shareholders of NextCell Pharma, with a shareholding of approximately 13.8%. At full utilization rate of all outstanding warrants of series TO 1, a total of 2 860 940, Diamyd Medical will after the warrants have been converted to shares, hold approximately 12.9% of votes and capital in NextCell Pharma.

"NextCell Pharma's progress with ProTrans is gratifying", says Ulf Hannelius, CEO of Diamyd Medical. "The stem cell field is receiving increasingly more attention among major players in the pharmaceutical sector, and through our holding in the company we strategically monitor the field in our ambition to develop therapies against diabetes".

About NextCell Pharma AB

Stem cells are expected to change the way how many of today's life-threatening diseases are treated. NextCell Pharma AB develops ProTrans, a drug candidate consisting of stem cells for the primary treatment of autoimmune and inflammatory diseases as well as for use in kidney transplants. ProTrans consists of selected stem cells derived from the umbilical cord tissue with NextCell Pharma AB's proprietary method. In addition, the company has a service called Cellaviva, Sweden's first and only IVO-approved stem cell bank for the family-saving of stem cells from umbilical cord blood and umbilical cord tissue.

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. Diamyd[®] has demonstrated good safety in studies with more than 1,000 patients as well as effect in some pre-specified subgroups. Besides the Company's own European Phase-II trial DIAGNODE-2, where the diabetes vaccine is administered directly into the lymph node, there are four investigator initiated clinical trials ongoing with Diamyd[®]. Diamyd Medical also develops Remygen[®], an oral GABA-based study drug which in June 2018 was approved by the Swedish Medical Agency for clinical trial. 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 at Birmingham. Exclusive licenses for GABA and positive allosteric modulators of GABA receptors for the treatment of diabetes and inflammatory diseases constitutes alongside with the diabetes vaccine Diamyd[®] and Remygen[®] key assets. Diamyd Medical is also one of the major shareholders in the stem cell company NextCell Pharma AB and 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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