

Press release, October 24, 2017

## Diamyd Medical strengthens GABA portfolio with new license

Diamyd Medical has concluded a new exclusive licensing agreement with University of California, Los Angeles (UCLA) Technology Development Group on behalf of UC Regents. The license relates to new patent applications for the therapeutic use of GABA (gamma-aminobutyric acid) with positive allosteric modulators of the GABAA receptor to enhance beta cell regeneration, survival and immunomodulation.

"This new GABA license together with our existing license, patent applications, and our proprietary GABA study drug Remygen®, provide a strong development platform to fully realize the therapeutic and commercial potential of GABA in diabetes and other inflammatory diseases," says Ulf Hannelius, CEO of Diamyd Medical.

Positive allosteric modulators of the GABAA receptor (GABAA PAMs) increase the activity of GABAA receptors and are in wide clinical use today for their anxiolytic and calming effects. Repurposing these PAMs for the treatment of diabetes could be appealing due to their documented safety profile and ability to enhance the effect of endogenously secreted or exogenously administered GABA.

The inventors of the Diamyd Medical licensed patent applications, Professor Jide Tian and Professor Daniel Kaufman at UCLA, have shown in preclinical experiments published in Nature Scientific Reports earlier this year (http://www.nature.com/articles/s41598-017-00515-y) that GABAA PAMs enhance the beta cell proliferative effects of GABA.

## **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 investigator initiated clinical trials are ongoing with Diamyd®. The Company's trial DIAGNODE-2, where the diabetes vaccine is administered directly into the lymphatic 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 at Birmingham. An exclusive license for GABA for the treatment of diabetes and inflammatory diseases constitutes alongside with the diabetes vaccine and Remygen® key assets in Diamyd Medical. 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. Further information is available on the Company's website: www.diamyd.com

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