



Press Release, November 20, 2020

Diamyd Medical will fully subscribe for its pro rata share in NextCell Pharma

Diamyd Medical will invest its pro rata share corresponding to approximately SEK 19.3 million in a rights issue in the associated company NextCell Pharma AB, which means that Diamyd Medical's book value of the holding in NextCell Pharma after the investment increases from approximately SEK 11.7 million to approximately SEK 30.9 million.

Diamyd Medical is one of the main owners in NextCell Pharma with an ownership share of approximately 12.8%. The Board of Directors of NextCell Pharma has announced its intention to decide on a fully guaranteed rights issue which, upon full subscription, will provide NextCell Pharma with approximately SEK 150 million before issue costs.

“NextCell has made impressive progress both as a company and in its development of the stem cell-based study drug ProTrans, says Ulf Hannelius, CEO of Diamyd Medical. “Through our increased investment in NextCell together with the development of our own study drugs, we work purposefully to be able to cure type 1 diabetes.”

About NextCell Pharma AB

NextCell is a Phase II cell therapy company with the lead candidate ProTrans™, for the treatment of type-1 diabetes. Focus is to take ProTrans™ to market approval via a phase III study. Furthermore, NextCell operates Cellaviva, Scandinavia's largest stem cell bank for family-saving of stem cells from umbilical cord blood and umbilical cord tissue with permission from the Health and Social Care Inspectorate (IVO).

About Diamyd Medical

Diamyd Medical develops therapies for type 1 diabetes. The diabetes vaccine Diamyd® is an antigen-specific immunotherapy for the preservation of endogenous insulin production. Significant results have been shown in a genetically predefined patient group in a large-scale metastudy as well as in the Company's European Phase IIb trial DIAGNODE-2, where the diabetes vaccine is administered directly into a lymph node in children and young adults with newly diagnosed type 1 diabetes. A new facility for vaccine manufacturing is being set up in Umeå for the manufacture of recombinant GAD65, the active ingredient in the therapeutic diabetes vaccine Diamyd®. Diamyd Medical also develops the GABA-based investigational drug Remygen® as a therapy for regeneration of endogenous insulin production and to improve hormonal response to hypoglycaemia. An investigator-initiated Remygen® trial in patients living with type 1 diabetes for more than five years is ongoing at Uppsala University Hospital. Diamyd Medical is one of the major shareholders in the stem cell company NextCell Pharma AB.

Diamyd Medical's B-share is traded on Nasdaq First North Growth Market under the ticker DMYD B. FNCA Sweden AB is the Company's Certified Adviser; phone: +46 8-528 00 399, e-mail: info@fnca.se

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