



Press Release, March 25, 2021

## **Diamyd Medical AB intends to carry out a directed share issue of B-shares**

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*Diamyd Medical AB (publ) ("Diamyd Medical" or "the Company") today announces its intention to carry out a directed share issue corresponding to approximately SEK 60 million through a so-called accelerated bookbuilding process. The objective of the directed share issue is to support the Company regarding the pivotal Phase 3 trial with the diabetes vaccine Diamyd® in individuals recently diagnosed with type 1 diabetes that carry the HLA DR3-DQ2 haplotype.*

Diamyd Medical announces its intention to carry out a directed new share issue corresponding to a value of approximately SEK 60 million, directed at qualified investors, with deviation from existing shareholders' preferential rights, based on the authorisation granted by the Annual General Meeting held on 26 November 2020 (the "Directed Share Issue"). Diamyd Medical has engaged G&W Fondkommission to investigate the possibilities to conduct the Directed Share Issue.

The subscription price for the new shares in the Directed Share Issue is to be determined through an accelerated bookbuilding procedure, which will begin immediately after the announcement of this press release. The Directed Share Issue is contingent on a resolution by the Board of directors, which, alongside pricing and allocation of shares, is expected to occur prior the commencement of trading on Nasdaq First North Growth Market on 26 March 2021. The Board of directors may at any time choose to cancel the bookbuilding procedure, close earlier or later and refrain from executing the Directed Share Issue, in part or in full.

The proceeds from the Directed Share Issue will be used for a pivotal Phase 3 trial with the diabetes vaccine Diamyd®. The study is designed to confirm the efficacy and safety of Diamyd® in individuals recently diagnosed with type 1 diabetes that carry the genetic HLA haplotype DR3-DQ2. Approximately 330 patients will be recruited for the study and the trial will be carried out at approximately 50 clinics in Europe and in the United States.

The reason for the deviation from the shareholders' preferential rights is to perform a capital raise in a time and cost-effective manner and to raise capital at favorable conditions for the Company's continued expansion, as well as to diversify the shareholder base with institutional investors.

### **Adviser**

G&W Fondkommission has been appointed Financial adviser in connection with the Directed Share Issue. Aktieinvest FK AB is the issuing agent.

### **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 meta-analysis as well as in the Company's European Phase IIb trial DIAGNODE-2, where the diabetes vaccine was administered directly into a lymph node in children and young adults with recently 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](mailto:info@fnca.se)

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This information is information that Diamyd Medical AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 18:00 CET on March 25, 2021.

**Important information**

This press release is not and does not form a part of any offer for sale of securities. Copies of this communication may not be made in, and may not be distributed or sent into, the United States, Australia, Canada, Japan, South Africa, New Zealand, Hong Kong, Singapore or any other jurisdiction in which distribution of this press release would be unlawful or would require registration or other measures. The distribution of this announcement in other jurisdictions may be restricted by law and persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States and, accordingly, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state securities law. The Company does not intend to register any part of the share issue in the United States or to conduct a public offering of shares in the United States.

The securities referred to herein have not been and will not be registered under the applicable securities laws of Canada, Japan, Australia, South Africa, New Zealand, Hong Kong or Singapore and, subject to certain exemptions, may not be offered or sold in or into or for the account or benefit of any person having a registered address in, or located or resident in, Canada, Japan, Australia, South Africa, New Zealand, Hong Kong or Singapore. There will be no public offering of the securities described herein in Canada, Japan, Australia, South Africa, New Zealand, Hong Kong or Singapore.

This press release is not a prospectus for purposes of Prospectus Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 and its delegated and implemented regulations (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of securities in any EEA Member State and no prospectus has been or will be prepared in connection with the Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

Any investment decision in connection with the Directed Share Issue must be made on the basis of all publicly available information relating to the Company and the issued shares. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not purport to identify or suggest the risks (direct or indirect) which may be associated with an investment in the Company or the new shares.

**Forward-looking information**

This press release contains certain forward-looking information that reflects the Company's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.