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Press release June 28, 2023

Diamyd Medical announces final outcome in the company's rights issue

*On June 27, 2023, Diamyd Medical AB (publ) ("Diamyd Medical" or the "Company") announced the preliminary outcome in the Company's rights issue of B-shares (the "**Rights Issue**"), for which the subscription period ended today June 27, 2023. The Company has now obtained the final outcome in the Rights Issue, which is in line with the preliminary results, which concludes that 8,351,941 B-shares, corresponding to approximately 43 percent of the Rights Issue, have been subscribed for with subscription rights. Additionally, applications for subscription of 503,434 B-shares without subscription rights, corresponding to approximately 3 percent of the offered shares, have been received. In aggregate, the subscriptions by exercise of subscription rights and the applications for subscription without subscription rights correspond to approximately 46 percent of the offered shares. Thus, the Company will receive issue proceeds from the Rights Issue of approximately SEK 75 million before deduction of costs attributable to the Rights Issue.*

The Board of Directors in Diamyd Medical resolved on May 24, 2023, pursuant to the authorization granted by the annual general meeting in the Company on December 1, 2022, a rights issue of up to approximately SEK 163 million.

Final Outcome

The Rights Issue is comprised of 19,231,734 B-shares, of which 8,351,941 B-shares, corresponding to approximately 43 percent of the offered shares, have been subscribed for with subscription rights. Additionally, applications for subscription of 503,434 B-shares without subscription rights, corresponding to approximately 3 percent of the offered shares, have been received. Thus, the subscriptions by exercise of subscription rights and the applications for subscription without subscription rights correspond to approximately 46 percent. Through the Rights Issue, the Company will thus receive issue proceeds of approximately SEK 75 million before deduction of costs attributable to the Rights Issue.

Notice of allotment

All those who have subscribed for B-shares without subscription rights will be allocated B-shares in accordance with the principles set out in the EU growth prospectus which was approved and registered by the Swedish Financial Supervisory Authority on June 1, 2023. Notice of allotment to the persons who subscribed for B-shares without subscription rights is expected to be distributed on June 28, 2023. Subscribed and allotted B-shares shall be paid in cash within three banking days in accordance with the instructions on the settlement note sent to the subscriber. Subscribers who have subscribed for shares through a nominee will receive notification of allocation in accordance with their respective nominee's procedures. Only those who have been allotted shares will be notified.

Number of shares and share capital

Through the Rights Issue, Diamyd Medical's share capital will increase by SEK 898,123.2877, from 7,802,027.0588 to SEK 8,700,150.3465, and the number of shares will increase by 8,855,375 shares, from 76,926,939 shares to 85,785,314 shares, resulting in that the number of A-shares after the Rights Issue will amount to 2,556,223 and the number of B-shares will amount to 83,226,091. The last day of trading in paid subscribed

shares (Sw. BTA) is expected to be July 11, 2023. The new B-shares subscribed for with and without subscription rights are expected to be traded on Nasdaq First North Premier Growth Market as of week 29, 2023.

Advisors

G&W Fondkommission acts as Financial Advisor to Diamyd Medical in connection with the Rights Issue. Aqurat Fondkommission AB has been appointed as Issuer Agent.

About Diamyd Medical

Diamyd Medical develops precision medicine therapies for type 1 diabetes. Diamyd® is an antigen-specific immunotherapy for the preservation of endogenous insulin production. DIAGNODE-3, a confirmatory Phase 3 trial is actively recruiting patients with recent-onset type 1 diabetes in eight European countries and is being prepared to start recruiting patients in the US this summer. Significant results have previously been shown in a large genetically predefined patient group in a large-scale meta-analysis as well as in the Company's European Phase 2b trial DIAGNODE-2, where the Diamyd® was administered directly into a lymph node in children and young adults with recently diagnosed type 1 diabetes. A biomanufacturing facility is being set up in Umeå for the manufacture of recombinant GAD65, the active ingredient in the antigen-specific immunotherapy 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. Diamyd Medical is one of the major shareholders in the stem cell company NextCell Pharma AB as well as in the artificial intelligence company MainlyAI 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.

For further information, please contact:

Ulf Hannelius, President and CEO

Phone: +46 736 35 42 41

E-mail: ulf.hannelius@diamyd.com

Diamyd Medical AB (publ)

Box 7349, SE-103 90 Stockholm, Sweden. Phone: +46 8 661 00 26, Fax: +46 8 661 63 68

E-mail: info@diamyd.com Reg. no.: 556242-3797 Website: <https://www.diamyd.com>

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This press release is not a prospectus for the purpose of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (together with any related implementing and delegated regulations, the "Prospectus Regulation"). Investors should not invest in any securities referred to in this press release except on the basis of information contained in the EU Growth Prospectus. Any invitation to those entitled to subscribe for shares in Diamyd Medical is made solely through the EU growth prospectus which Diamyd Medical published on June 1, 2023.

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Forward-looking statements

This press release contains certain forward-looking statements that are based on uncertainty, as they relate to events and depend on circumstances that will occur in the future and which, by their nature, may have an impact on results of operations and the financial condition of Diamyd Medical. Such forward-looking statements reflect Diamyd Medical’s current expectations and are based on the information currently available. Diamyd Medical cannot give any assurance as to whether such forward-looking statements will prove to be correct. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.