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Press release March 28, 2024

Diamyd Medical publishes prospectus with regards to the rights issue

The prospectus with regards to Diamyd Medical AB's (publ) ("Diamyd Medical" or the "Company") rights issue of approximately SEK 114 million, which was resolved on by the Board of Directors on March 18, 2024, pursuant to the authorization granted by the Company's annual general meeting held on November 30, 2023, (the "Rights Issue") has today been approved and registered by the Swedish Financial Supervisory Authority. The subscription period in the Rights Issue will commence on April 2, 2024.

The prospectus

The prospectus, together with all other information pertaining to the Rights Issue, is held available on the Company's website, www.diamyd.com, on G&W Fondkommission's website, www.gwkapital.se, as well as on Aqurat Fondkommission's website, www.aqurat.se. The prospectus will also be made available on the Swedish Financial Supervisory Authority's website, www.fi.se.

Summary of the Rights Issue

- The Rights Issue comprises a maximum of 9,494,799 units, of which 274,163 are A-units and 9,220,636 are B-units, corresponding to issue proceeds of approximately SEK 114 million before deduction of related issue costs.
- Shareholders in Diamyd Medical on the record date, March 27, 2024, will for each one (1) held share, regardless of share class, receive one (1) unit right of the same class. Ten (10) unit rights will entitle the holder to subscribe for one (1) new unit of the corresponding share class, implying a subscription ratio of 1:10.
- Each A-unit contains one (1) share of series A and one (1) warrant of series TO 4 A and each B-unit contains one (1) share of series B and one (1) warrant of series TO 4 B.
- The subscription price in the Rights Issue has been set to SEK 12.00 per unit.
- Chairman of the Board of Directors and founder, Anders Essen-Möller, has committed to subscribing for units equivalent to approximately SEK 1 million. In addition, CEO Ulf Hannelius has committed to subscribe for his pro rata share of the Rights Issue, corresponding to approximately SEK 0.4 million, and other senior executives have committed to subscribe for units equivalent to approximately SEK 0.2 million. In total, the Rights Issue is thus covered by subscription commitments equivalent to approximately SEK 1.6 million, corresponding to approximately 1.4 percent of the Rights Issue.

Timeline for the Rights Issue and subscription

April 2, 2024 – April 16, 2024	Subscription period
April 2, 2024 – April 11, 2024	Trading in unit rights of series B (UR B)
April 2, 2024 – May 8, 2024	Trading in paid subscribed B-units (BTU B)
April 16, 2024	Expected announcement of the preliminary outcome
April 18, 2024	Expected announcement of the final outcome

The subscription period in the Rights Issue will commence on Tuesday, April 2, 2024, and a link to the subscription form will be made available on the Company's, G&W Fondkommission's and Aqurat Fondkommission's respective websites. Please note that shareholders with nominee-registered holdings subscribe in the Rights Issue, both with and without the support of unit rights, through their nominee.

Exercise price and subscription period for warrants of series TO 4

Two (2) warrants of series TO 4 entitle the holder to subscribe for one (1) new share of the corresponding share class in the Company during the period from and including March 3, 2025, to and including March 31, 2025, at an exercise price of SEK 16.00. The warrants of series TO 4 A and TO 4 B are the same securities that were issued in the Company's rights issue in October 2023, and TO 4 B will be traded on the Nasdaq First North Growth Market under the same ISIN as the previously issued warrants of series TO 4 B.

Advisors

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

About Diamyd Medical

Diamyd Medical develops precision medicine therapies for the prevention and treatment of Type 1 Diabetes and LADA (Latent Autoimmune Diabetes in Adults). Diamyd® is an antigen-specific immunomodulatory therapeutic for the preservation of endogenous insulin production that has been granted Orphan Drug Designation in the U.S. as well as Fast Track Designation (Feb-2024) by the U.S. FDA. DIAGNODE-3, a confirmatory Phase III trial is actively recruiting patients with recent-onset Type 1 Diabetes in eight European countries and in the US. 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 prospective European Phase IIb trial, where Diamyd® was administered directly into a superficial lymph node in children and young adults with recently diagnosed Type 1 Diabetes. Injections into a superficial lymphnode can be performed in minutes and is intended to optimize the immune response. A biomanufacturing facility is under development in Umeå, Sweden, for the manufacture of recombinant GAD65 protein, the active ingredient in the antigen-specific immunotherapy Diamyd®. Diamyd Medical also develops the GABA-based investigational drug Remygen® as a component in the treatments of metabolic diseases. Diamyd Medical is a major shareholder 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.

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. A prospectus, equivalent to an EU growth prospectus, regarding the Rights Issue referred to in this press release will be prepared and published by the Company before the subscription period in the Rights Issue begins. 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 March 28, 2024.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company’s intentions, beliefs, or current expectations about and targets for the Company’s future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies, and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake

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