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Press release April 18, 2024

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

*On April 16, 2024, Diamyd Medical AB (publ) ("**Diamyd Medical**" or the "**Company**") announced the preliminary outcome in the Company's rights issue of units (the "**Rights Issue**"), for which the subscription period ended April 16, 2024. The Company has now obtained the final outcome in the Rights Issue, which shows an increase compared to the previously published preliminary result. The final outcome shows that 4,216,203 units, corresponding to approximately 44 percent of the Rights Issue, have been subscribed for with unit rights. Additionally, applications for subscription of 558,779 units without unit rights, corresponding to approximately 6 percent of the offered units, have been received. In aggregate, the subscriptions by exercise of unit rights and the applications for subscription without unit rights correspond to approximately 50 percent of the offered units. Thus, the Company will receive issue proceeds from the Rights Issue of approximately SEK 57 million before the deduction of costs attributable to the Rights Issue. Subscribers in the Rights Issue include the Chairman of the Board of Directors and founder Anders Essen-Möller (approximately SEK 1 million), the Company's largest shareholder Bertil Lindkvist (approximately SEK 1 million), and other Senior Executives and members of the Board of Directors (approximately SEK 0.6 million).*

"This important capital infusion, associated with both low costs and very limited dilution for existing shareholders, further strengthens our financial position at a pivotal time", says Ulf Hannelius, CEO of Diamyd Medical. "Following the recent Fast Track designation granted by the US FDA and ahead of significant potential value enhancing milestones, we are well positioned to continue executing on our strategy".

The Board of Directors in Diamyd Medical resolved on March 18, 2024, pursuant to the authorization granted by the Company's annual general meeting held on November 30, 2023, on a rights issue of up to approximately SEK 114 million.

Final Outcome

The Rights Issue is comprised of 9,494,799 units, of which 154,163 A-units and 4,062,040 B-units, corresponding to approximately 44 percent of the offered units, have been subscribed for with unit rights. Additionally, applications for subscription of 558,779 B-units without unit rights, corresponding to approximately 6 percent of the offered units, have been received. Thus, the subscriptions by exercise of unit rights and the applications for subscription without unit rights correspond to approximately 50 percent. Through the Rights Issue, the Company will thus receive issue proceeds of approximately SEK 57 million before the deduction of costs attributable to the Rights Issue. Subscribers in the Rights Issue include the Chairman of the Board of Directors and founder Anders Essen-Möller (approximately SEK 1 million), the Company's largest shareholder Bertil Lindkvist (approximately SEK 1 million), and other Senior Executives and members of the Board of Directors (approximately SEK 0.6 million).

Notice of allotment

All those who have subscribed for units without unit rights will be allocated units in accordance with the principles set out in the EU growth prospectus which was approved and registered by the Swedish Financial Supervisory Authority on March 28, 2024. Notice of allotment to the persons who subscribed for units without unit rights is

expected to be distributed on April 18, 2024. Subscribed and allotted units 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 units through a nominee will receive notification of allocation in accordance with their respective nominee's procedures. Only those who have been allotted units will be notified.

Number of shares and share capital

Through the Rights Issue, Diamyd Medical's share capital will increase by SEK 484,284.6897, from SEK 9,629,745.3636 to SEK 10,114,030.0533, and the number of shares will increase by 4,774,982 shares, from 94,947,996 shares to 99,722,978 shares, resulting in that the number of A-shares after the Rights Issue will amount to 2,895,793 and the number of B-shares will amount to 96,827,185. The last day of trading in paid subscribed units (Sw. BTU B) is expected to be May 8, 2024. The new B-shares and TO4 B subscribed for with and without unit rights are expected to be traded on Nasdaq First North Growth Market around week 20, 2024.

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 lymph node 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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The information was provided by the contact person above, for publication on April 18, 2024, 08.45 CET.

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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 units 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

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