



Press release, June 26, 2013

## **Diamyd's rights issue oversubscribed**

*Diamyd Medical AB has concluded a new share issue with preferential rights for existing shareholders through which the company will receive proceeds of MSEK 20.7 before issue expenses. Subscription applications totaling approximately MSEK 26.9 were received, corresponding to a subscription rate of about 130 percent.*

93.9 percent of the new share issue was subscribed with the exercise of subscription rights. In addition, 35.9 percent of the new share issue was subscribed without the exercise of subscription rights. In total, some 129.8 percent of the total number of shares was subscribed as part of the rights issue.

"It is really gratifying that the issue received such a positive response among both large and small shareholders," says Peter Zerhouni, President and CEO of Diamyd Medical. "The outcome is a sign of strength for Diamyd as we now initialize development of the exclusive rights we recently acquired relating to the use of GABA for the treatment of diabetes and other inflammation-related conditions. We intend to recruit new employees with a scientific and commercial profile for both drug development, to develop efficient therapies against diabetes, and for business development, to generate new deals around our portfolio of intellectual property rights."

Some 9,859,711 new shares will be issued as part of the rights issue, of which 479,292 comprise Series A shares and 9,380,419 Series B shares. On account of the new share issue, the number of shares in Diamyd Medical will increase to 19,719,422. The company will receive proceeds of MSEK 20.7 before issue expenses.

Settlement notes to those who subscribed for shares without the exercise of subscription rights and received allocation are expected to be issued on June 26, 2013.

As soon as the increase in the share capital has been registered by the Swedish Companies Registration Office, paid-up BTAs (interim shares) in the rights issue will be converted to new shares. Until then, trading in BTAs will continue on NASDAQ OMX First North. Trading in the new shares is expected to commence on NASDAQ OMX First North on or about July 12, 2013.

### **For further information, please contact:**

Peter Zerhouni, President and CEO Diamyd Medical AB  
Phone: +46 8 661 00 26. E-mail: [press@diamyd.com](mailto:press@diamyd.com)

### **About Diamyd Medical**

Diamyd Medical is a Swedish diabetes company. The Company was formerly called Diamyd Therapeutics and was spun off from Mertiva AB (formerly Diamyd Medical AB) in April 2013. The Company's primary development project consists of the GAD-based diabetes vaccine Diamyd<sup>®</sup> for the treatment and prevention of autoimmune diabetes. Two Swedish researcher-initiated Phase II studies with Diamyd<sup>®</sup> are ongoing. One study evaluates whether the diabetes vaccine can prevent type 1 diabetes in children who are at high risk of developing the disease, while the other study evaluates whether Diamyd<sup>®</sup> in combination with relatively high doses of vitamin D and ibuprofen can preserve the body's own ability to regulate the blood sugar level in children and adolescents newly diagnosed with type 1 diabetes.

The company recently concluded an exclusive licensing agreement with the University of California in Los Angeles (UCLA) relating to a patent portfolio for the therapeutic use of GABA (gamma-aminobutyric acid) and GABA receptor agonists for the treatment and prevention of type 1 and type 2 diabetes and other inflammation-related conditions, such as metabolic syndrome, rheumatoid arthritis and allergies.

Diamyd Medical also has holdings in the gene therapy company Periphagen Holdings, Inc. (US).

Diamyd Medical's Series B share has been traded on NASDAQ OMX First North since May 20, 2013 under the ticker DMYD B. Remium Nordic AB is the Company's Certified Adviser. Further information is available on the Company's website: [www.diamyd.com](http://www.diamyd.com).

**Diamyd Medical AB (publ)**

Kungsgatan 29, SE-111 56 Stockholm, Sweden. Phone: +46 8 661 00 26, Fax: +46 8 661 63 68

E-mail: [info@diamyd.com](mailto:info@diamyd.com). Reg. no.: 556242-3797.