



Press Release, August 2, 2016

Diamyd Medical's associated company Cellaviva is appointed European distributor for StemBioSys

Diamyd Medical (Nasdaq Stockholm First North, Ticker: DMYD B) today announced that its associated company Cellaviva AB has signed an agreement regarding the European distribution rights for a stem cell product developed by StemBioSys, Inc., a privately held biomedical company based in San Antonio, Texas, USA.

The agreement entails that Cellaviva becomes the exclusive distributor for StemBioSys' (www.stembiosys.com) products in Sweden and Denmark with non-exclusive rights covering the rest of Europe. The agreement will initially cover StemBioSys' cell expansion product BM-HPME[®]. Future products may be added to the agreement as they become available.

Additional information regarding the agreement will become available at www.cellaviva.se

About Diamyd Medical

Diamyd Medical is dedicated to finding a cure for autoimmune diabetes through pharmaceutical development and investments in stem cell and medical technology.

Diamyd Medical develops the diabetes vaccine Diamyd[®], an Antigen Based Therapy (ABT) based on the exclusively licensed GAD-molecule. The Company's licensed technologies for GABA and Gliadin have also potential to become key pieces of the puzzle of a future solution to prevent, treat or cure autoimmune diabetes, and also certain inflammatory diseases. At this time six clinical studies are ongoing with Diamyd[®]. Diamyd Medical is one of the major shareholders in the stem cell company Cellaviva AB. Stem cells can be expected to be used in Personalized Regenerative Medicine (PRM), for example for restoration of beta cell mass in diabetes patients where the autoimmune component of the disease has been arrested. Diamyd Medical also has holdings in the medtech company Companion Medical, Inc., San Diego, USA and in the gene therapy company Periphagen, Inc., Pittsburgh, USA.

Diamyd Medical's B-share is traded on Nasdaq Stockholm First North under the ticker DMYD B. Remium Nordic AB is the Company's Certified Adviser.

For further information, please contact:

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