



Press Release, November 8, 2010

## **Summons to the Annual General Meeting of Diamyd Medical AB**

*The shareholders of Diamyd Medical AB (publ) are hereby summoned to the Annual General Meeting on Thursday December 9, 2010 at 3.00 p.m. at the IVA Conference Center, Grev Turegatan 16 (Wallenberg auditorium) in Stockholm, Sweden.*

### **Attendance**

Shareholders who wish to attend the meeting must be recorded in the register of shareholders held by Euroclear Sweden AB by Friday, December 3, 2010 and must notify the Company of their intention to attend the Meeting by mail to Diamyd Medical, Karlavägen 108, SE-115 26 Stockholm, by e-mail to [investor.relations@diamyd.com](mailto:investor.relations@diamyd.com) or on the Company's website, [www.diamyd.com](http://www.diamyd.com) not later than 4.00 p.m. on Monday, December 6, 2010. The notification must state the shareholder's name, address, telephone number, personal identity number or company registration number, registered shareholding and the name of any shareholder's representative. Shareholders whose shares are registered in custodial accounts must ask the custodian to temporarily register the shares in the shareholder's name (registration of entitlement to vote) to obtain the right to participate in the Annual General Meeting. The shares must be registered not later than December 3, 2010.

### **Proposed agenda**

1. Election of Chairman of the meeting.
2. Establishment and approval of the register of voters.
3. Approval of the agenda.
4. Election of one or two persons to certify the minutes.
5. Verification of whether the Annual General Meeting has been duly convened.
6. A review of the past year, CEO Elisabeth Lindner.
7. Presentation of the annual accounts and audit report submitted and the consolidated annual accounts and consolidated audit report.
8. Resolutions:
  - a. On the adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet.
  - b. On disposition of the Company's profits or losses in accordance with the adopted balance sheet.
  - c. On discharge from liability for Board members and the Chief Executive Officer.
9. Establishment of remuneration of the Board of Directors and the auditors.
10. Establishment of the number of Board members.
11. Election of the Board of Directors, the Chairman of the Board of Directors and any substitute directors.
12. Resolution on guidelines for remuneration of senior executives.
13. Resolution on the Nomination Committee for the 2011 Annual General Meeting.
14. Resolution on the authorization of new share issues.
15. Resolution on the authorization of the repurchase of shares.
16. Resolution on adjustment of the terms and conditions of outstanding employee option programs.
17. Other issues that rest with the Annual General Meeting in accordance with the Companies Act (2005:551).

### **Proposed resolutions**

*Chairman of the Meeting, item 1*

The Nomination Committee proposes that attorney Erik Nerpin be elected Chairman of the meeting.

*Disposition of the company's profits or losses, item 8 b.*

The Board proposes that no dividend be paid out fiscal year 2009/2010.

*Election of Board Members, the auditors and remuneration etc., items 9-11*

The Nomination Committee proposes the re-election of Board members Anders Essen-Möller, Lars Jonsson, Sam Lindgren, Henrik Bonde, Göran Pettersson and Maria-Teresa Essen-Möller and the election of new Board member Joseph Janes, US, a former Chairman of the Company. The Committee proposes the re-election of Anders Essen-Möller as Chairman of the Board.

The Nomination Committee proposes remuneration of SEK 125,000 per year (SEK 100,000 in the preceding year) for each of the Board members who are not employed at the Company; in total SEK 750,000 (The Chairman of the Board is a Company employee). If Anders Essen-Möller should cease as an employee of the company, his capacity as Chairman of the Board would entitle him to remuneration of SEK 250,000 per year. The remuneration includes work on Board committees. It is proposed that the auditors should receive remuneration according to approved account.

*Guidelines for remuneration of senior executives, item 12*

The Board proposes that the Annual General Meeting approves guidelines for remuneration of the CEO and other senior executives that largely correspond to the guidelines that were approved at the Annual General Meeting on December 11, 2009. These guidelines mainly state that the total compensation package shall be in line with market conditions and consist of a balanced mix of fixed salary, pension benefits, other benefits as well as terms for notice. It should be permissible to deviate from the guidelines if there are special reasons to do so for individual cases.

*Resolution on the Nomination Committee 2011, item 13*

The Nomination Committee proposes that the Nomination Committee for the 2011 Annual General Meeting shall be appointed in essentially the same way that was approved at the 2009 Annual General Meeting held on December 11, i.e. as follows. The Nomination Committee shall be composed of representatives of the three largest shareholders in the Company in terms of the number of votes and the Chairman of the Board of Directors (issuing the call). The identity of the members of the Nomination Committee must be made public not later than six months prior to the 2011 Annual General Meeting. If the ownership structure changes substantially before completion of the Nomination Committee's work, the composition of the Nomination Committee may be changed. If a member leaves the Nomination Committee before its work is complete, the other members shall designate a replacement. The Nomination Committee will prepare proposals for the following decisions at the 2011 Annual General Meeting: (i) election of the Chairman of the Annual General Meeting, (ii) election of Board members and the Chairman of the Board of Directors, (iii) Directors' remuneration, (iv) election of the Company's auditors, (v) remuneration to the Company's auditors, and (vi) rules for the nomination process for the 2012 Annual General Meeting.

*Authorization of new share issues, item 14*

In order to make it possible to acquire companies, businesses or individual commercial assets, as well as to raise capital, the Board of Directors proposes that the shareholders' meeting authorize the Board to approve new share issues for a maximum total of 10 percent of the number of shares on one or more occasions before the next Annual General Meeting, and permit the Board to deviate from the shareholders' preferential rights when so doing. Payment may be made in cash, through a contribution or by offsetting.

*Authorization to repurchase shares, item 15*

The Board proposes that the Annual General Meeting authorizes the Board, for the period until the next Annual General Meeting, to repurchase series B shares in Diamyd Medical on NASDAQ OMX Stockholm ("the Exchange"). The maximum number of shares repurchased shall be such that Diamyd Medical shares held in treasury from time to time do not exceed five percent of all shares in Diamyd Medical. Repurchase of shares must be conducted in accordance with the Stock Exchange's Rule Book for Issuers.

*Adjustment of the terms and conditions of existing option programs, item 16*

At the Annual General Meetings in 2008 and 2009, employee option programs with durations of three years were approved. These primarily mean that holders of the options earn one-third of the options each year and are entitled to then exercise the options thus earned during a specific period (November 15 to December 15) or to hold on to the options until they mature after three years. The Board of Directors proposes that the terms and conditions are changed to the extent that the holders of options are able to exercise the earned options on any date up to the date of maturity and not just during a specified period.

**Other information**

At the time of the summons, there are 29,167,810 shares, made up of 1,437,876 Series A shares (1 vote) and 27,729,934 Series B shares (1/10 of a vote). There are a total of 4,210,869 votes.

The Company's Annual Report and audit report, and the Board and Nomination Committee's complete proposed resolutions, as well as other requisite documents and the proxy form, will be available at the Company's offices at the address above, as well as on the Company website [www.diamyd.com](http://www.diamyd.com), from Thursday, November 25, 2010. A copy will be sent to any shareholders who so request.

Stockholm, November 2010  
Diamyd Medical AB (publ)  
The Board of Directors

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**About Diamyd Medical**

Diamyd Medical is a Swedish pharmaceutical company focusing on the development of pharmaceuticals for the treatment of autoimmune diabetes and pain. The Diabetes business area consists of the antigen-based candidate drug Diamyd® for the treatment and prevention of autoimmune diabetes. Phase III studies of Diamyd® are currently in progress in Europe and the US. In 2010 the Company signed an agreement with Ortho-McNeil-Janssen Pharmaceuticals, Inc., for the development and commercialization of Diamyd®. The Pain business area consists of development projects that use the Company's proprietary NTDDS (Nerve Targeting Drug Delivery System) platform to administer drugs directly to the nervous system to treat chronic pain. A Phase I study of the candidate drug NP2 Enkephalin for cancer pain is ongoing, and the Company plans to initiate a Phase II study.

Diamyd Medical has offices in Sweden and in the US. Shares are listed on Nasdaq OMX in Stockholm (ticker: DIAM B) and on OTCQX in the US (ticker: DMYDY) administered by the Pink OTC Markets and the Bank of New York Mellon (PAL). Further information is available on the company's website: [www.diamyd.com](http://www.diamyd.com).

*This information is disclosed in accordance with the Swedish Securities Markets Act, the Swedish Financial Instruments Trading Act, or the requirements stated in the listing agreements.*

**Diamyd Medical AB (publ.)**

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