Company announcement – No. 49 / 2016

Zealand increases its share capital as a consequence of exercise of employee warrants

Copenhagen, 8 December 2016 – Zealand Pharma ("Zealand") has increased its share capital with nominal DKK 13,999 divided into 13,999 new shares with a nominal value of DKK 1 each. The increase is a consequence of the exercise of warrants granted under one of Zealand's employee warrant programs. Employee warrant programs are part of Zealand's incentive scheme, and each warrant gives the owner the right to subscribe for one new Zealand share at a pre-specified price, the exercise price, in specific pre-defined time periods before expiration. For further description of Zealand's warrant programs, see the company's Articles of Association, which are available on the homepage: www.zealandpharma.com.

The exercise price is DKK 77 and the total proceeds to Zealand from the capital increase amounts to DKK 1,077,923.

The new shares give rights to dividend and other rights from the time of the warrant holder's exercise notice. Each new share carries one vote at Zealand's general meetings. Zealand only has one class of shares.

The new shares will be listed on Nasdaq Copenhagen after registration of the capital increase with the Danish Business Authority. Following registration of the new shares, the share capital of Zealand will be nominal DKK 26,142,365 divided into 26,142,365 shares with a nominal value of DKK 1 each.

The amendment of Zealand's Articles of Association entailed by the share capital increase has today been registered with the Danish Business Authority.

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For further information, please contact:

Mats Blom, Senior Vice President, Chief Financial Officer
Tel: +45 31 53 79 73, email: mabl@zealandpharma.com

About Zealand Pharma A/S

Zealand Pharma A/S (Nasdaq Copenhagen: ZEAL) ("Zealand") is a biotechnology company focused on the discovery, design and development of innovative peptide-based medicines. Zealand has a portfolio of medicines and product candidates under licence collaborations with Sanofi, Boehringer Ingelheim and Helsinn, and a pipeline of proprietary product candidates which primarily target specialty diseases with significant unmet needs.

The company's first invented medicine, lixisenatide, a once-daily prandial GLP-1 analogue for the treatment of type 2 diabetes, is licensed to Sanofi. Lixisenatide is marketed as Lyxumia® outside the United States and approved as Adlyxin™ in the United States. Lixisenatide has been developed in a fixed-ratio combination with basal insulin glargine (Lantus®) and is approved as Soliqua™ 100/33 in the United States, and in Europe a CHMP positive opinion recommendation was given in November (Suliqua™ is the brand name in Europe).

Zealand's proprietary pipeline includes: Dasiglucagon* (ZP4207) (single-dose rescue treatment) for acute, severe hypoglycaemia (Phase II); Glepaglutide* (ZP1848) for short bowel syndrome (Phase II); Dasiglucagon* (ZP4207) (multiple-dose version) intended for use in a dual-hormone artificial pancreas system for better hypoglycaemia control and diabetes management (in preparation for Phase II); and other earlier stage clinical and preclinical peptide therapeutics.

Zealand is based in Copenhagen (Glostrup), Denmark. For further information about the company's business and activities, please visit www.zealandpharma.com or follow Zealand on Twitter @ZealandPharma.

* Dasiglucagon and Glepaglutide are proposed International Nonproprietary Names (pINN).