

Zealand Pharma announces completion of directed issue and private placement of 2,684,461 new ordinary shares

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- As announced on June 17, 2020, Zealand Pharma commenced a directed share offering to institutional and professional investors through an accelerated bookbuilding.
- Today, June 18, 2020, Zealand Pharma's board of directors has exercised an authorization to increase the share capital by issuing 2,684,461 new shares.
- The new shares will be issued at a subscription price of DKK 245 per new share.
- The aggregate gross proceeds from the issue will amount to approx. DKK 657.7 million and Zealand intends to use the net proceeds to help fund commercialization and pre-launch activities for Zealand's late stage programs, accelerate development of the clinical pipeline, continue support for Zealand's peptide platform, and for general corporate purposes.

Copenhagen, June 18, 2020 – With reference to company announcement no. 34/2020 regarding the announcement of directed issues and private placements of up to approx. 2.68 million new ordinary shares, Zealand Pharma A/S ("**Zealand**") (Nadaq: ZEAL), (CVR-no. 20 04 50 78), a biotechnology company focused on the discovery, development and commercialization of innovative peptide-based medicines, today announces that the board of directors of Zealand (the "**Board**") has in accordance with article 7.1 of Zealand's articles of association today exercised an authorization granted by Zealand's annual general meeting held on April 2, 2020, to increase in Zealand's share capital by issue of 2,684,461 new ordinary shares (the "**New Shares**") at a subscription price of DKK 245 per New Share.

The issuance of the New Shares follows an offering of New Shares at market price in a private placement directed at institutional and professional investors in Denmark and certain other jurisdictions. (the "**Offering**"). The subscription price for the New Shares has been determined through an accelerated bookbuilding procedure as part of the Offering. All the New Shares were subscribed for in the Offering.



The Offering is expected to be completed on June 22, 2020 (subject to the satisfaction of customary closing conditions), and the New Shares are expected to be admitted to trading and official listing on Nasdaq Copenhagen on June 23, 2020.

The Offering has not been registered under the U.S. Securities Act and was made pursuant to applicable exemptions from the obligation to publish a Danish prospectus in Denmark as well as exemptions from the U.S. Securities Act and the securities laws of other applicable jurisdictions, as a directed issue and private placement to eligible institutional and professional investors.

Summary of the Offering:

- 2,684,461 New Shares were subscribed for in the Offering;
- the subscription price for the New Shares is DKK 245 per New Share;
- the New Shares will correspond to 7.25% of Zealand's entire share capital;
- total gross proceeds from the Offering will amount to approx. DKK 657.7 million;
- allocation of the New Shares subscribed for in the Offering has been determined by the Board in consultation with Goldman Sachs International, Jefferies International Limited and Danske Bank A/S;
- following the Offering, Zealand will be subject to a 75 calendar days lock-up undertaking (calculated from admission of the New Shares to trading and official listing on Nasdaq Copenhagen A/S), and the members of Zealand's executive management and board of directors will be subject to a 90 calendar days lock-up undertaking (calculated from June 17, 2020), both subject to certain customary exceptions;
- the New Shares will be issued without pre-emption rights for Zealand's current shareholders and the New Shares will upon issuance rank *pari passu* with Zealand's existing shares and carry the same dividend and other rights. The New Shares must be registered in the name of the holder in the Company's register of shareholders;
- each New Share carries one vote at Zealand's general meetings. Zealand only has one class of shares;
- following completion of the Offering, the registered share capital of Zealand will amount to DKK 39,734,151 divided into 39,734,151 shares of DKK 1 each; and
- a timetable of expected future principal events can be seen below.

Reasoning for the Offering and use of proceeds

Zealand's gross proceeds from the Offering will be approximately DKK 657.7 million. Zealand intends to use the net proceeds from the Offering to help fund commercialization and pre-launch activities for the Zealand's late stage programs, accelerate development of the clinical pipeline, continue support for Zealand's peptide platform, and for general corporate purposes.

Admission to trading and official listing

The New Shares will be listed on Nasdaq Copenhagen in reliance on the exemption in article 1(5)a of the Prospectus Regulation and not on the basis of a prospectus.

The New Shares will be issued under the temporary ISIN code DK0061286028. No application for admission to trading and official listing has been, or will be, filed for the New Shares issued under the temporary ISIN code, and the temporary ISIN code will only be registered with VP Securities A/S for subscription for the New Shares. The temporary ISIN code in VP Securities A/S will be merged



with the permanent ISIN code for the existing shares, DK0060257814, as soon as possible following registration of the share capital increase with the Danish Business Authority, expected on June 22, 2020. The New Shares are expected to be admitted to trading and official listing on Nasdaq Copenhagen A/S on or around June 23, 2020.

The admission to trading and official listing of the New Shares is subject to the Offering not being withdrawn prior to the settlement thereof and the Company making an announcement to that effect.

Expected timetable for the Offering

The completion of each of the Offering, including admission to trading and official listing of the New Shares is subject to the Offering not being withdrawn prior to the settlement thereof and the Company making an announcement to that effect.

June 22, 2020	Registration of the New Shares with the Danish Business Authority as well as issue and registration of the New Shares with VP Securities
June 22, 2020	Settlement and payment against delivery of the New Shares
June 23, 2020	Admittance to trading and official listing of the New Shares on Nasdaq Copenhagen A/S

The New Shares

The New Shares will rank *pari passu* in all respects with existing shares in Zealand. The New Shares will be negotiable instruments, and no restrictions will apply to their transferability. U.S. investors have, however, undertaken certain trading restrictions for their New Shares acquired in the Offering. No shares, including the New Shares, carry or will carry any special rights. Rights conferred by the New Shares, including voting rights and dividend rights, will apply from the time when the capital increase is registered with the Danish Business Authority. The New Shares must be registered in the name of the holder in the Company's register of shareholders.

Managers and legal counsels

Goldman Sachs International, Jefferies International Limited and Danske Bank A/S are acting as joint global coordinators and joint bookrunners in the Offering, and Needham & Company and Nordea Danmark, Filial af Nordea Bank Abp, Finland are acting as co-managers in the Offering (the joint global coordinators and the co-managers are jointly referred to as the "**Managers**"). Danske Bank A/S is acting as settlement agent for the Offering.

Plesner and Cooley LLP act as Danish and U.S. legal advisors respectively to the Company. Kromann Reumert and Latham & Watkins LLP act as Danish and U.S. legal advisors respectively to the Managers.

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About Zealand Pharma A/S

Zealand is a biotechnology company focused on the discovery, development, and commercialization of next generation peptide-based medicines that change the lives of people living with metabolic and gastrointestinal diseases. More than 10 drug candidates invented by Zealand have advanced into clinical development, of which two have reached the market. Zealand's robust pipeline of investigational medicines includes three candidates in late stage development, and one candidate being reviewed for regulatory approval in the United States. Zealand markets V-Go[®], an all-in-one basal-bolus insulin delivery option for people with diabetes. License collaborations with Boehringer Ingelheim and Alexion Pharmaceuticals create opportunity for more patients to potentially benefit from Zealand-invented peptide therapeutics.

Zealand was founded in 1998 in Copenhagen, Denmark, and has presence throughout the U.S. that includes key locations in New York, Boston, and Marlborough (MA).

Important information

This announcement is not a prospectus and investors should not purchase any securities referred to in this announcement on the basis of this announcement. The information contained in this announcement is for information and background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change. No obligation is undertaken to update this announcement or correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of Zealand to proceed with any transaction or arrangement referred to herein. This announcement has not been approved by any competent regulatory authority.

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, or act as an inducement to enter into, any contract or commitment whatsoever. The transactions described in this announcement and the distribution of this announcement and other information in connection with the transactions in certain jurisdictions may be restricted by law and persons into whose possession this announcement, any document or other information referred to herein comes should inform themselves about, and observe, any such restrictions. In particular, no announcement or information regarding such transactions may be disseminated to the public in any jurisdiction where a prior registration or approval is required for such purpose. Any failure to comply with these or other applicable restrictions may constitute a violation of the securities laws of any such jurisdiction.

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This announcement has been prepared on the basis that any offers of securities referred to herein in any Member State of the EEA or the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation (EU) 2017/1129 on prospectuses (the "**Prospectus Regulation**") from the requirement to publish a prospectus for offers of such securities. The information set forth in this announcement is only being distributed to, and directed at, persons in Member States of the EEA or the United Kingdom who are qualified investors ("**Qualified Investors**") within the meaning of Article 2(1)(e) of the Prospectus Regulation.

This announcement is only being distributed to, and is only directed at, Qualified Investors in the United Kingdom that (i) are "investment professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this announcement relates is available in the United Kingdom only to relevant persons and will be engaged in only with relevant persons. This announcement must not be acted on or relied on by persons in the United Kingdom who are not relevant persons.

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This announcement does not constitute an investment recommendation. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance.



The Managers are acting for Zealand and for no one else in relation to the Offering, and will not be responsible to any other person for providing the protections afforded to their clients nor for providing advice in connection with the matters contained in this announcement. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Managers or by any of their affiliates or agents, as to or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

In connection with the Offering, each of the Managers and any of their respective affiliates or any person acting on its or their behalf, may take up a portion of the shares of the Company in the Offering in a principal position and in that capacity may retain, purchase or sell for its own account such shares and other securities of the Company or related investments and may offer or sell such shares, securities or other investments otherwise than in connection with the Offering. Accordingly, references in this announcement to New Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to the Managers or any of their respective affiliates or any person acting on its or their behalf acting in such capacity. In addition, any Manager or any of their respective affiliates or any person acting on its or their behalf may enter into financing arrangements (including swaps, warrants or contracts for difference) with investors in connection with which such Manager(s) or any of their respective affiliates or any person acting on its or their behalf may from time to time acquire, hold or dispose of such securities of the Company, including the New Shares. Furthermore, in the event that the Managers acquire New Shares in the Offering, they may co-ordinate disposals of such shares in accordance with applicable law and regulation. None of the Managers or any of their respective affiliates or any person acting on its or their behalf intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Forward-Looking Statements

This announcement may contain forward-looking statements, including “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995, that are based on the beliefs and assumptions and on information currently available to management of Zealand, including with respect to the closing of the Offering described herein. All statements other than statements of historical fact contained in this announcement are forward-looking statements, including statements regarding the anticipated final terms of the Investment. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other comparable terminology. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Zealand's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties set forth in the "Risk Factors" section of the Zealand's Annual Report on Form 20-F for the year ended December 31, 2019 filed with the SEC on March 13, 2020 and subsequent reports that Zealand files with the SEC. Forward-looking statements represent Zealand's beliefs and assumptions only as of the date of this announcement. Although Zealand believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievements. Except as required by law, Zealand assumes no obligation to publicly update any forward-looking statements for any reason after the date of this announcement to conform any of the forward-looking statements to actual results or to changes in its expectations.