

Company announcement – No. 41/2017

Zealand grants new warrants under employee warrant program

Copenhagen, August 25, 2017 – Zealand announces the grant of warrants to the Company's President and CEO Britt Meelby Jensen. The warrants are granted under the warrant program covered by the authority pursuant to Section 8.4 of Zealand's Articles of Association, adopted at Zealand's General Meeting on April 21, 2015 and in accordance with the Company's updated overall guidelines for incentive payments, adopted at Zealand's Extraordinary General Meeting on July 31, 2017.

The warrant program is an incentive scheme reflecting Zealand's objective to attract and retain first-rate employees and help ensure shared short- and long-term interests for the management, employees and shareholders of the Company.

A total of 21,174 warrants have been granted, giving the rights to subscribe for up to a total of 21,174 new Zealand shares with a nominal value of DKK 1 each. 14,566 warrants have an exercise price equal to DKK 142.45 per share and 6,608 warrants have an exercise price equal to DKK 135.30 per share.

The warrants granted may be exercised, in whole or in part, in defined exercise windows from August 25, 2017 through August 25, 2022 in respect of the 14,566 warrants and from April 6, 2018 through April 6, 2022 in respect of the 6,608 warrants. The exercise windows for all granted warrants are four weeks following the publication of Zealand's full-year reports or interim reports for the first quarter, first half or first nine months respectively.

The total new warrants granted have a combined market value of DKK 845,729.50 calculated on the basis of the Black–Scholes model, including a five-year historic volatility of 43.0%, a five-year risk-free interest rate of -0.16% and a share price of DKK 118.50.

The amendment of Zealand's Articles of Association entailed by the grant of warrants has today been registered with the Danish Business Authority. The amended Articles of Association are also available on the company's website: www.zealandpharma.com.

For further information, please contact:

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About Zealand Pharma A/S

Zealand (Nasdaq Copenhagen and New York: ZEAL) is a biotechnology company focused on the discovery, design and development of innovative peptide-based medicines. Zealand is based in Copenhagen (Glostrup), Denmark.