

Company announcement – No. 32/2017

Stabilization period begins

- **Zealand Pharma A/S has today received notification regarding the beginning of the stabilization period**

Copenhagen, August 9, 2017 – With reference to company announcement no. 31/2017 dated August 9, 2017 regarding the pricing of the initial public offering of American Depositary Shares (the "ADSs") on the Nasdaq Global Select Market in the United States under the symbol "ZEAL" (the "Offering"), Zealand Pharma A/S ("Zealand") has received notification regarding the beginning of the stabilization period from Morgan Stanley & Co. LLC, acting as stabilizing manager in the Offering. Reference is made to the attached announcement from Morgan Stanley & Co. LLC.

Zealand has been informed that the stabilization activities will be carried out under and in accordance with U.S. regulations, but in compliance with the disclosure obligations set out in the market abuse regulation (Commission Regulation (EU) no. 596/2014 of 16 April 2014).

This company announcement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

For further information, please contact:

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Important information

No announcements or information regarding the proposed initial public offering may be disseminated to the public in jurisdictions where a prior registration or approval is required for such purpose. No steps have been taken, or will be taken, for the offering of shares or ADSs in any jurisdiction where such steps would be required. The issue or sale of ADSs, and the subscription for or purchase of ADSs, are subject to special legal or statutory restrictions in certain jurisdictions. Zealand is not liable if these restrictions are not complied with by any other person.

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 is based in Copenhagen (Glostrup), Denmark.



Pre-stabilization Notice

Morgan Stanley & Co. LLC (Robert Holley, telephone +1212-761-5900) hereby gives notice that the Stabilization Agent named below and its affiliates may stabilize the offer of the following securities, and thus engage in transactions that stabilize, maintain or otherwise affect the price of the following securities. The stabilization activities will be carried out under and in accordance with United States securities laws and regulations and in compliance with the disclosure obligations set out in the European Union market abuse regulation, Commission Regulation (EU) no. 596/2014 of 16 April 2014.

The securities:	
Issuer:	Zealand Pharma A/S
Securities:	American Depositary Shares ("ADS") each representing one share of nominal DKK 1 issued in the Issuer
Offering size:	4,375,000 ADSs
Offer price:	USD 17.87 per ADS
Associated securities:	Each ADS represents one share of nominal DKK 1 in the Issuer
Market:	The Nasdaq Global Select Market in the United States
Ticker:	ZEAL
Stabilisation:	
Stabilisation Manager:	Morgan Stanley & Co. LLC 1585 Broadway New York, NY 10036
Stabilisation period expected to start on:	August 9, 2017
Stabilisation period expected to end no later than:	September 7, 2017
Maximum size of over-allotment facility:	Up to 656,250 ADSs
Conditions of use of over-allotment facility:	May be exercised in whole or in part by the Stabilization Agent, to the extent permitted by applicable law, at any time during the period commencing on August 8, 2017 and ending 30 calendar days thereafter
Overallotment Option:	
Exercise period:	30 calendar days
Conditions of use of overallotment option:	May be exercised by the Stabilization Agent in whole or in part from time to time solely to cover over-allotments or short positions in connection with the offering or stabilization transactions

Important notice

In connection with this offering, the Stabilizing Agent may over-allot the securities or effect transactions with a view to supporting the market price of the securities at a level higher than that which might otherwise prevail. However, there is no assurance that any stabilization will be undertaken and it may be discontinued at any time.

This announcement is for information purposes only and does not constitute or form part of, and should not be construed as, an invitation or offer to underwrite, subscribe for or otherwise acquire or dispose of any securities of the Company in any jurisdiction.



This announcement is made in compliance with applicable laws and regulations of Denmark and the European Union, and is not intended for dissemination to the public in jurisdictions where a prior registration or approval is required. No steps have been taken, or will be taken, for the public offering of shares or ADSs in any jurisdiction other than the United States. The issue or sale of shares and ADSs, and the subscription for or purchase of shares and ADSs, may be subject to special legal or statutory restrictions in applicable jurisdictions. Zealand is not liable if these restrictions are not complied with by any other person.

The offering of the ADSs is being made In the United States, only by means of a prospectus, which is or will be on file with the Securities and Exchange Commission. A copy of the prospectus for such offering may be obtained, when available, at no cost by visiting EDGAR at www.sec.gov. Copies of the prospectus for such offering, when available, may also be obtained from Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014; or Goldman Sachs & Co. LLC, Attention: Prospectus Department, 200 West Street, New York, NY 10282, telephone: +1-866-471-2526, facsimile: +1 212-902-9316, or email: prospectus-ny@ny.email.gs.com.