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Zealand meets development milestone in collaboration with Boehringer Ingelheim

- **Boehringer Ingelheim has selected a novel cardio-metabolic peptide therapeutic for advancement into preclinical development under one of two ongoing collaborations between Zealand and Boehringer Ingelheim**

Copenhagen, 9 October 2015 – Zealand announces that Boehringer Ingelheim has selected a novel peptide therapeutic to be advanced into preclinical development under one of two ongoing collaboration agreements between the companies. This collaboration, initiated in July 2014, covers a novel therapeutic peptide project from Zealand's preclinical portfolio with the aim of Zealand and Boehringer Ingelheim to join forces in the design and development of novel medicines for improved treatment of patients with cardio-metabolic diseases. The biological target is not being disclosed.

Under the terms of the agreement, the companies have successfully advanced therapeutic peptides stemming from the collaboration towards preclinical development. With the selection of a first preclinical candidate, Boehringer Ingelheim will now be responsible for the conduct and funding of the preclinical and potentially clinical development as well as commercialization. The event has triggered a milestone payment from Boehringer Ingelheim to Zealand.

Commenting on the milestone achievement**, Keld Fosgerau, acting Senior Vice President, Head of Research at Zealand said**: "*The selection for preclinical development of a lead peptide therapeutic arising from our second fruitful research collaboration with Boehringer Ingelheim is an important milestone. It demonstrates the impact of Zealand's approach to peptide science in the cardio-metabolic space and further substantiates our portfolio of outlicensed products, which is developing alongside our growing proprietary pipeline."*

Zealand and Boehringer signed a first collaboration agreement in June 2011, which is ongoing. This covers the development and commercialization of novel glucagon/GLP-1 dual-acting peptide therapeutics to treat patients with Type 2 diabetes and/or obesity. Under this collaboration, Boehringer Ingelheim has a lead development candidate in preclinical development.

Financial outlook for 2015 and terms of the collaborations with Boehringer Ingelheim

The announced milestone is associated with a payment of EUR 3 million to Zealand. The payment does not change Zealand's financial outlook for 2015, which includes expected total milestone payments of EUR 21 million.

Dependent upon the achievement of pre-defined development, regulatory and commercial milestones, Zealand is eligible to receive potential payments of up to a total of EUR 295 million for the first compound, developed and marketed under this collaboration. Under the first collaboration agreement, Zealand is eligible to receive potential remaining development, regulatory and commercial milestones of up to a total of EUR 365 million. Under both agreements, Zealand is also entitled to royalties on global sales of products stemming from the collaborations, while retaining co-commercialization rights in Scandinavia.

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For further information, please contact:

Britt Meelby Jensen, Chief Executive Officer and President
Tel: +45 51 67 61 28, e-mail: bmj@zealandpharma.com

Hanne Leth Hillman, Senior Vice President, Head of Investor Relations and Communications
Tel: +45 50 60 36 89, e-mail: hlh@zealandpharma.com

About Zealand Pharma

Zealand Pharma A/S (Nasdaq Copenhagen: ZEAL) ("Zealand") is a medicinal biotech company with leading expertise in the identification, design and development of novel peptide medicines. Zealand has a proprietary pipeline of novel drug candidates and a portfolio of products and projects under license collaborations with Sanofi, Helsinn Healthcare and Boehringer Ingelheim – primarily in the fields of cardio-metabolic diseases and acute care indications.

The proprietary pipeline includes; *danegaptide* for ischemic reperfusion Injuries in Phase II development, *ZP1848* for Short Bowel Syndrome in Phase II development and the stable glucagon analogue, *ZP4207 as a single-dose rescue pen* for severe hypoglycemia in preparation for Phase II, and *ZP4207 as multiple-dose use* for the correction of mild to moderate hypoglycemia in evaluation for the next clinical development step after Phase I, as well as *several preclinical peptide therapeutics*.

Zealand has invented lixisenatide, a once-daily prandial GLP-1 agonist, which is marketed globally (ex-US) by Sanofi for the treatment of Type 2 diabetes and since end September 2015 has been under review by the FDA in the US. The license agreement with Sanofi also covers a single-product combination of lixisenatide and insulin glargine (Lantus®) which is on track for regulatory submission in the US in Q4 2015 and in Europe in Q1 2016.

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