Company announcement – No. 30 / 2016

Royalty report for Q2 2016 and update on lixisenatide (Lyxumia® / Adlyxin™) and iGlarLixi

- **Royalty revenue of DKK 6.4 million / €0.9 million in Q2 2016 on Sanofi's sales of Lyxumia® (lixisenatide outside the U.S.)**
- **Recently, the U.S. FDA approved lixisenatide as Adlyxin™ to treat type 2 diabetes, and commercial launch by Sanofi in the U.S. is expected later in H2 2016**

Copenhagen, 29 July 2016 – Zealand Pharma (Zealand), a biotechnology company, reports royalty revenue from Sanofi's global sales of Lyxumia® (lixisenatide outside the U.S.) of DKK 6.4 million / €0.9 million for the period from 1 April to 30 June 2016. For the first half of 2016, royalty revenue amounted to DKK 12.9 million / €1.7 million, a decrease of 3% compared to the same period in 2015. In its Q2 2016 earnings release today, Sanofi reported that sales of Lyxumia® were stable in H1 2016 versus the same period last year, measured at constant exchange rates.

Lixisenatide is a once-daily prandial GLP-1 receptor agonist for the treatment of patients with type 2 diabetes and was invented by Zealand. Global development and commercialization rights are licensed to Sanofi. Lixisenatide is approved under the proprietary name, Lyxumia®, in more than 60 countries outside the U.S. and marketed by Sanofi in over 40 of these, including most EU countries (excluding France and Germany), Japan, Brazil, Mexico and India.

On 27 July 2016, lixisenatide was approved by the U.S. Food and Drug Administration (FDA) under the name of Adlyxin™. U.S. commercial launch by Sanofi is expected later in H2 2016.

Sanofi has also developed iGlarLixi, a fixed-ratio combination of lixisenatide insulin glargine 100 Units/mL (Lantus®), its worldwide most-prescribed basal insulin, for the treatment of type 2 diabetes. iGlarLixi is undergoing regulatory review in both the U.S. and Europe. On May 25, an Advisory Committee of the FDA recommended the approval of iGlarLixi and a regulatory decision by the FDA is expected in August 2016. In Europe, a regulatory decision is expected in Q1 2017.

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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 pipeline of proprietary product candidates which primarily target specialty disease areas with significant unmet medical needs and a portfolio of medicines and product candidates under license collaborations with Sanofi, Boehringer Ingelheim and Helsinn.

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 globally outside the United States as Lyxumia® and approved in the U.S. as Adlyxin™. A fixed-ratio combination of lixisenatide with insulin glargine (Lantus®), referred to as iGlarLixi, is under regulatory review in the U.S. and in Europe.

The proprietary pipeline of product candidates includes: *ZP4207* (single-dose glucagon rescue treatment) for acute, severe hypoglycemia (Phase II); *ZP1848* for short bowel syndrome (Phase II); *ZP4207* (multiple-dose glucagon), intended for use in a dual-hormone artificial pancreas system for better hypoglycemia control and diabetes management (in Phase II); and other earlier stage clinical and preclinical peptide therapeutics.

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