

Zealand convenes its Annual General Meeting 2023

Notice to convene the Annual General Meeting of Zealand Pharma A/S (CVR no. 20 04 50 78) (the "Company").

The Board of Directors of the Company hereby convenes the Annual General Meeting of the Company to be held on:

Wednesday, March 29 2023 at 3:00 pm (CEST)

The Annual General Meeting will be held as a **partly electronic general meeting** with the possibility of attending electronically or in person (hybrid meeting).

The Annual General Meeting will be held electronically via the virtual portal hosted by Computershare A/S, and physically at the Company's registered address Sydmarken 11, DK-2860 Søborg.

Please find further information on page 7.

Agenda:

- (1) Management's report on the Company's activities during the past financial year
- (2) Approval of the audited Annual Report 2022
- (3) Resolution on the cover of loss in accordance with the approved Annual Report 2022
- (4) Election of members to the Board of Directors
- (5) Election of the auditor
- (6) Authorization for the Company to acquire treasury shares directly
- (7) Proposal from the Board of Directors to amend the Company's Remuneration Policy
- (8) Proposal from the Board of Directors to approve the Company's Remuneration Report
- (9) Proposal from the Board of Directors to approve the fees for the Board of Directors for the financial year 2023
- (10) Proposal from the Board of Directors to approve a new authorization to increase the share capital of the Company by way of cash contribution without pre-emption rights for the Company's existing shareholders and at market price
- (11) Proposal from the Board of Directors to approve a renewal of the authorization to issue warrants
- (12) Any other business



Complete proposals:

Re item (2):

The Board of Directors proposes that the Annual Report 2022 is approved.

Re item (3):

The Board of Directors proposes that the annual result, which is a loss of TDKK 1,202,135 is carried forward to the following year.

Re item (4):

The board members elected by the General Meeting are elected on an annual basis.

All of the incumbent board members are standing for re-election and the Board of Directors proposes, in accordance with the recommendation from the Nomination Committee, re-election of all the members:

- Alf Gunnar Martin Nicklasson
- Kirsten Aarup Drejer
- Alain Munoz
- Jeffrey Berkowitz
- Michael John Owen
- Leonard Kruimer
- Bernadette Mary Connaughton

For a description of the nominated candidates, see [Appendix 1](#) to this notice.

Re item (5):

The Board of Directors proposes the re-election of EY Godkendt Revisionspartnerselskab, CVR no.: 30 70 02 28, in accordance with the recommendation of the Audit Committee. The Audit Committee has not been influenced by third parties and has not been subject to any agreement with third parties that limits the General Meeting to electing certain auditors or audit firms as auditor.

Re item (6):

The Board of Directors requests that the General Meeting authorizes the Company to acquire, during the period until the next Annual General Meeting, treasury shares directly, provided the acquisition, pursuant to Section 197 of the Danish Companies Act, can be financed by funds that could otherwise be distributed as ordinary dividends. The Company's aggregated acquisition of treasury shares shall not exceed a total nominal value of 10 % of the Company's share capital at any given time. The acquisition price for the treasury shares may not deviate by more than 10 % from the quoted price for the Company's shares on Nasdaq Copenhagen at the time of purchase.

Re item (7):

The Board of Directors proposes that the General Meeting approves the revised Remuneration Policy of the Company.



The Company's existing Remuneration Policy was adopted at the Company's Annual General Meeting 2022 in accordance with Section 139 of the Danish Companies Act.

The revised Remuneration Policy makes modifications to the existing policy to reflect the Company's revised strategy. Compared to the existing Remuneration Policy, the revised Remuneration Policy involves the following material amendments:

- For the Board the company has chosen to:
 - to retain the reduced cash element from last year and the use of RSUs at the same level for these as last year however, the award is now awarded in 1/3 increments over a 3 year period provided the Board member stays as a member of the Board.
 - cap the total value of RSUs that can be granted to any member of the Board to prevent any unintended levels of return.
- For the Executive Management the terms of the long-term incentives for members of the Executive Management are proposed amended so that it:
 - consists of a combination of 50% PSUs and 50% warrants (in a change from the previous split of 75% PSUs and 25% warrants). The terms of PSUs are unchanged. The proposed terms of warrants involves a 3 year vesting period with 1/3 vesting each year followed by an exercise period of 5 years.
 - reduced the Cap on share based remuneration so that the award for Executive Management at the date of grant can not exceed 250% (down from the previous 400%) of their fixed annual salary to ensure that share based compensation is not excessive.

The reason for the proposed amendments of the Remuneration Policy is among others to ensure that the Company's remuneration structure enables the Company to attract and retain talented members of the Executive Management and the Board of Directors.

The draft revised Remuneration Policy is available on the Company's website: <https://www.zealandpharma.com/annual-general-meeting>.

The adopted Remuneration Policy will be uploaded on the Company's website: <https://www.zealandpharma.com/corporate-governance> after the General Meeting.

Re item (8):

The Board of Directors proposes that the General Meeting approves the Company's Remuneration Report for the financial year 2022.

The adoption of the Remuneration Report is subject to the regulation from the implementation of the Shareholder Rights Directive (Directive (EU) 2017/828 of 17 May 2017) in Section 139 b of the Danish Companies Act.

The Remuneration Report has been prepared in accordance with the requirements prescribed by Section 139 b of the Danish Companies Act and contains, inter alia, an overall view of the total remuneration for 2022 of each member of the Board of Directors and the Executive Management of the Company.



The Remuneration Report also contains additional descriptions in accordance with Section 139 b of the Danish Companies Act, including, inter alia, explanation of how the remuneration for 2022 complies with the Company's applicable Remuneration Policy, including how it contributes to the Company's long-term results and how the performance criteria has been applied.

The vote on the Remuneration Report is a non-binding advisory vote.

The Remuneration Report is available on the Company's website: <https://www.zealandpharma.com/annual-general-meeting>.

Re item (9):

The Board of Directors proposes that the General Meeting approves the fees for the Board of Directors for the financial year 2023:

	Cash fee (DKK)	RSUs (Number)
Board Member Base Fee	100,000	1,500
Chairman of the Board	0	5,000
Vice-Chairperson of the Board	0	1,000
Audit Committee Chair	0	4,000
Audit Committee Member	0	2,500
Remuneration Committee Member	0	1,500
Scientific Committee Member	0	1,500

The value of each RSU is determined by multiplying the simple average of the closing price of the Company's share on Nasdaq Copenhagen A/S for a period of 5 trading days following the annual general meeting of the Company.

Additional information on the RSUs is available in the Company's Remuneration Policy, which can be found on the Company's website: <https://www.zealandpharma.com/remuneration-committee>.

Re item (10):

The Board of Directors proposes that the General Meeting adopts a new authorization for the Board of Directors to increase the share capital of the Company.

As a company in the late stage of delivering its clinical and pre-clinical pipeline and prior to significant revenue generation, Zealand, as with all biotechs at the same stage of development, will require access to capital. One of the ways available to a company like Zealand is to raise capital through the issuance of share capital.

The proposal to authorise the Board of Directors to increase the share capital by way of cash contributions corresponding to a maximum of 20% of the Company's existing share capital has several aims. The primary aim is to create an increased level of flexibility in terms of decision-making processes. This would enable the Board of Directors to, until the Company's next annual general meeting, provide the Company with the requisite capital to strengthen Zealand's refocused strategy of prioritizing R&D and entering the most optimal partnerships for commercial and late-stage development products. This will enable the Company to reduce its dependency and reduce the need for time-challenged by convening extraordinary general meetings. The choice of 20% of the Company's existing share capital is lower than the 25% requested at the last AGM in 2022.

The new authorization shall replace the current authorization in Article 7.1 of the Company's Articles of Association, which will be amended as follows:



"7.1. Bestyrelsen er i perioden indtil den 29. marts 2028 ~~15. april 2026~~ bemyndiget til ad en eller flere gange at forhøje Selskabets aktiekapital ved udstedelse af nye aktier med indtil nominelt DKK 10.340.419 ~~10.850.136~~. Forhøjelsen af aktiekapitalen skal ske til markedskurs og skal gennemføres uden fortegningsret for Selskabets eksisterende aktionærer. Forhøjelsen skal ske ved kontant indbetaling. Ved beslutning af 1. juni 2022 besluttede bestyrelsen at delvist udnytte bemyndigelsen i vedtægternes punkt 7.1 og forhøje aktiekapitalen med nominelt DKK 2.892.368. Ved beslutning af 4. oktober 2022 besluttede bestyrelsen at delvist udnytte bemyndigelsen i vedtægternes punkt 7.1 og forhøje aktiekapital med nominelt DKK 4.975.000. Herefter udestår der DKK 2.982.768 under bemyndigelsen."

"During the period until 29 March 2028 ~~15 April 2026~~ the board of directors is authorized to increase at one or more times the Company's share capital by issuance of new shares by up to nominally DKK 10,340,419 ~~10,850,136~~. The capital increase shall be effected at market price and shall be implemented without pre-emption rights for the Company's existing shareholders. The capital increase must be implemented by way of cash contribution. By decision of 1 June 2022, the Board of Directors has partly exercised the authority in this article 7.1 to increase the share capital by nominally DKK 2,892,368. By decision of 4 October 2022, the Board of Directors has partly exercised the authority in this article 7.1 to increase the share capital by nominally DKK 4,975,000. The remaining amount of the authorization is thus DKK 2,982,768."

A draft version of the revised Articles of Association reflecting the proposed amendments (tracked) pursuant to this item (10) is available on the Company's website: <https://www.zealandpharma.com/annual-general-meeting>.

The adopted Articles of Association will be uploaded on the Company's website: <https://www.zealandpharma.com/corporate-governance> after the General Meeting.

Re item (11):

The Board of Directors proposes that the General Meeting adopts a renewal of the applicable authorization for the Board of Directors to issue warrants pursuant to Articles 8.10-8.12 of the Articles of Association. The renewal of the authorization is proposed inserted in the Company's Articles of Association as a new Article 8.13 with the following wording:

"8.13. Generalforsamlingen har den 29. marts 2023 besluttet at forhøje og forlænge bemyndigelsen til bestyrelsen i punkt 8.10 til at udstede warrants. Bemyndigelsen forlænges indtil den 29. marts 2028 og forhøjes med 925.772 warrants, der giver indehaverne ret til tegning af aktier i selskabet for et samlet nominelt beløb på op til yderligere DKK 925.772. Det samlede udestående antal warrants, der kan udstedes i henhold til bemyndigelsen i § 8.10, er herefter i alt 2.210.489. I det hele gælder vilkårene som beskrevet i punkt 8.10-8.12."

"On 29 March 2023, the general meeting decided to extend and increase the authorization for the Board of Directors to issue warrants in accordance with article 8.10. The authorization is extended until 29 March 2028 and increased by 925,772 warrants, which give the holders the right to subscribe for shares in the Company up to an additional aggregate amount of nominally DKK 925,772. The total number of warrants available for issuance under the authorization in article 8.10 is hereinafter 2,210,489. In all, the terms set forth in articles 8.10-8.12 apply accordingly."

A draft version of the revised Articles of Association reflecting the proposed amendments (tracked) pursuant to this item (11) is available on the Company's website: <https://www.zealandpharma.com/annual-general-meeting>.



The adopted Articles of Association will be uploaded on the Company's website: <https://www.zealandpharma.com/corporate-governance> after the General Meeting.

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Language

The General Meeting is held in English without any translation into Danish.

Resolution requirements

The following requirements are applicable in order to pass the resolutions and must all be fulfilled in order for the proposals to be adopted:

The proposals set out in items (2)-(9) of the agenda must be adopted by a simple majority of votes. Adoption of the proposals set out in items (10)-(11) of the agenda requires at least two-thirds of the votes cast as well as at least two-thirds of the share capital represented at the General Meeting.

It is noted that the vote on the Remuneration Report pursuant to agenda item (8) is a non-binding advisory vote.

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General share information

The share capital of the Company is nominally DKK 51,702,098. The nominal amount of each share is DKK 1. Each share of DKK 1 has one vote at the General Meeting.

The shareholders may exercise their financial rights through their own depository banks.

Information on the Company's website

Further information about the General Meeting will be available from 2 March, 2023 on the Company's website: <https://www.zealandpharma.com/annual-general-meeting> including:

- 1) The total number of shares and voting rights in the Company on the date of the notice
- 2) The notice to convene, along with the agenda and the complete proposals
- 3) A proxy/ postal vote form
- 4) The documents to be presented at the Annual General Meeting, including the Annual Report 2022, a description of the nominated candidates (Appendix 1), the Remuneration Report, the draft revised Remuneration Policy, and the draft revised Articles of Association.

Publication of notice

This notice has been made public via the electronic IT-system of the Danish Business Authority, on the Company's website: <https://www.zealandpharma.com/annual-general-meeting> and transmitted via the Company's depository bank (Danske Bank A/S) through the chain of intermediaries. It has also been sent electronically to all shareholders who have registered their e-mail address with the Company and by ordinary mail to shareholders having requested so.

Request for notice to convene by ordinary mail

Please note that shareholders need to notify the Company each year, via the shareholder portal, if they wish to receive the notice to convene for the Annual General Meeting by ordinary mail instead of e-mail.

Questions

Shareholders may submit questions in writing concerning the agenda and the other material relating to the General Meeting.



Questions submitted in advance of the General Meeting must be received by the Company no later than Monday, 27 March 2023 at 9:00 am (CEST). Questions can be submitted by e-mail to agm23@zealandpharma.com or by ordinary mail and will be answered in writing or orally at the General Meeting, unless the answer is made available from a Q&A function on the Company's website: <https://www.zealandpharma.com/annual-general-meeting>.

Shareholders attending the General Meeting in person will also be able to ask questions at the General Meeting, and shareholders attending the General Meeting electronically will have the opportunity to submit questions during the General Meeting through the live chat function. Questions received during the General Meeting will be answered orally at the General Meeting.

To ensure a smooth course of events at the General Meeting, we encourage shareholders to submit any questions well in advance of the General Meeting.

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In order to attend the Annual General Meeting and vote, the following apply:

Date of registration

The shareholders' right to attend and vote at the General Meeting, or to vote by post, is determined based on the shares that the shareholders hold on the date of registration, which is Wednesday, 22 March 2023.

Only persons who are shareholders of the Company on the date of registration may attend and vote at the General Meeting.

Once the date of registration has passed, the shares held by each shareholder will be calculated. The calculation is based on the registration of shares in the register of shareholders as well as on notifications of ownership that were received by the Company before the date of registration passed for the purpose of registration in the register of shareholders, but which have not yet been registered in the register of shareholders.

Admission card

In order to attend the General Meeting (either in person or electronically), shareholders must order an admission card no later than Monday, 27 March 2023 at 9:00 am (CEST).

Admission may be requested as follows:

- Electronically via the shareholder portal in the Investors section of the Company's website: <https://www.zealandpharma.com/shareholder-portal>; or
- By contacting Computershare A/S; by telephone +45 45460997, by e-mail to gf@computershare.dk or by written enquiry to Computershare A/S, Lottenborgvej 26, DK-2800 Kgs. Lyngby, Denmark.

Upon registration, a confirmation with the admission details enclosed will be sent out electronically via email to the email address specified in the shareholder portal. If no email address is specified in the shareholder portal, shareholders may download and/or print the admission details through the shareholder portal on the Company's website: <https://www.zealandpharma.com/shareholder-portal>. Shareholders are also asked to indicate whether they will attend the General Meeting in person or electronically.

A shareholder (or the shareholder's proxy holder) may participate in the General Meeting together with an advisor, provided that the shareholder has duly requested admission for the advisor's participation.



If the admission details are lost or in case of any issues with accessing the General Meeting, Computershare A/S will provide technical assistance. Computershare A/S will be available Wednesday, 29 March 2023 from 2:00 pm (CEST) and during the General Meeting.

Attending electronically

Electronic attendance in the Annual General Meeting requires the timely ordering of an admission card as further indicated above.

If the Annual General Meeting is attended electronically the admission details shall solely be used for the shareholders to access the General Meeting via the virtual AGM portal.

The technical requirements for use of the electronic systems are:

- A computer, tablet, or smartphone (it is recommended to participate via computer or tablet for the best experience), and
- The latest version of Chrome, Safari, Internet Explorer 11, Edge, or Firefox.

Each shareholder is responsible for ensuring that they have a computer, tablet, or smartphone with internet access, and a functional and adequate internet connection.

As the Annual General Meeting will be live-transmitted (webcasted), minor delays in communication or voting may occur.

Further detailed instructions on the procedures to attend electronically, vote and submit questions during the Annual General Meeting will be made available on the Company's website: <https://www.zealandpharma.com/annual-general-meeting>.

Attending in person

Attending the Annual General Meeting in person requires the timely ordering of an admission card as further indicated above.

Shareholders attending the Annual General Meeting in person shall present the admission card at the entrance of the Annual General Meeting either electronically on a smartphone/tablet or in a printed version.

Any voting will take place electronically via the virtual AGM portal and further information will follow at the General Meeting (if relevant).

The doors to the Annual General Meeting will open at 2:15 pm (CEST).

Proxy

Proxies may represent a shareholder at the Annual General Meeting. In this case, Computershare A/S must receive a completed and signed proxy form no later than Monday, 27 March, 2023 at 9:00 am (CEST).

It is possible to submit a proxy form electronically directly via the shareholder portal in the Investors section of the Company's website: <https://www.zealandpharma.com/shareholder-portal>.

The proxy form can also be downloaded or printed from the Company's website: <https://www.zealandpharma.com/shareholder-portal> and be sent by post (Computershare A/S, Lottenborgvej 26, 2800 Kgs. Lyngby, Denmark), fax (+45 45 46 09 98) or e-mail (gf@computershare.dk).

**Postal vote**

Shareholders who are unable to attend the General Meeting can vote by post, in other words vote in writing, before the General Meeting is held. Computershare A/S must have received a postal vote no later than Monday, 27 March, 2023 at 9:00 am (CEST).

It is possible to vote by post electronically on the shareholder portal in the Investors section of the Company's website: <https://www.zealandpharma.com/shareholder-portal>.

A postal vote form is also available for downloading or printing from the Company's website: <https://www.zealandpharma.com/shareholder-portal>. Once completed, dated and signed, the vote may be sent by post (Computershare A/S, Lottenborgvej 26, 2800 Kgs. Lyngby, Denmark), fax (+45 45 46 09 98) or by e-mail (gf@computershare.dk).

A postal vote that has been received is irrevocable.

Processing of personal data

The Company's Privacy Policy for Shareholders etc. explains how the Company processes personal data in connection with the Annual General Meeting. The Policy is available on the company website: www.zealandpharma.com under "Investor > Annual General Meeting".

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Date: 2 March, 2023

Kind regards,

The Board of Directors of Zealand Pharma A/S