Q&A ZEALAND PHARMA

22ND OF MARCH 2022
WITH EMMANUEL DULAC

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

Transcript Live Q and A Zealand Pharma with Emmanuel Dulac, the 22nd of March 2022

Helge Larsen/PI-redaktør	Good afternoon, Emmanuel Dulac and welcome to Q&A with us here on ProInvestor.com. We are very happy to have you with us today - ready to answer a wide variety of questions from our investors.
Emmanuel Dulac	Thank you, it is a pleasure to be here. I am also pleased to be joined today by Adam Steensberg our Chief Medical Officer
Helge Larsen/PI-redaktør	Hi Adam, Welcome.
Helge Larsen/PI-redaktør	Can you please give us a short-term update on key figures and important events for Q4?
Emmanuel Dulac	Thanks, great to be with you too.
Emmanuel Dulac	2021 was a transformational year for Zealand. We received our first FDA approval and launched Zegalogue on the market. We continued to progress our late-stage pipeline by completing enrollment in the pivotal Phase 3 trial of dasiglucagon for the treatment of congenital hyperinsulinism (CHI) with results planned for the second quarter this year…
Emmanuel Dulac	We also completed enrollment in our pivotal Phase 3 trial with glepaglutide in patients with short bowel syndrome (SBS) and we look forward to readouts from this trial in the third quarter… In our earlier stage pipeline, we completed the Phase 1b trial of our GLP1-CLP2 dual agonist dapiglutide and started the dosing of patients in the Phase 1 obesity trial of our long-acting amylin analogue ZP8396. In the same area our partner Boehringer Ingelheim presented clinical data from our GLU-GLP1....
Emmanuel Dulac	demonstrating 13.7% weight loss after only 16 weeks of dosing. In our financials, we maintained a strong financial position and at the end of the year we had cash, cash equivalents and marketable securities of 1.4 billion DKK…
Emmanuel Dulac	We were pleased to announce non-dilutive financing with an agreement with Oberland Capital which includes an upfront payment of USD $100 million in exchange for a seven-year interest only secured note…
Emmanuel Dulac	Total revenue for the year was 292.6 million DKK driven by net product revenue of the V-Go wearable insulin deliver device and Zegalague as well as partnership revenue from collaborations with Alexion, Boeringher Ingleheim and Sanofi. The net operating result was a loss of 1.05 billion DKK and net operating expenses were 1.22 billion DKK.
Helge Larsen/PI-redaktør	What is the guidance for 2022?

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

Emmanuel Dulac	Our Financial Guidance for 2022 is that we expect net product revenue from the sales of commercial products to be DKK 235 million. Net operating expenses in 2022 are expected to be DKK 1,200 million. Both with a margin of plus or minus 10%....
Emmanuel Dulac	During 2022, we also expect revenue from existing license agreements but as such revenue is uncertain in terms of size and timing, we do not provide guidance on this.
Helge Larsen/PI-redaktør	Can you please give us an overview of the present Zealand Pharma pipeline?
Emmanuel Dulac	We can divide our pipeline into four therapeutic areas with high unmet medical needs: Type 1 diabetes, rare diseases, obesity where we have products in mid and late-stage clinical development and Inflammation where we are in preclinical development….
Emmanuel Dulac	We expect to see considerable newsflow from the pipeline during 2022 – not least the Phase 3 readouts from trials with Glapaglutide in SBS and dasiglucagon in in CHI. Furthermore, our partner Borheinger Ingelheim will present Phase data on GLU-GLP1 in type 2 diabetes, and we should also see the Phase 2 data for this molecule in Obesity....
Emmanuel Dulac	We will present further data on our Amylin analogue in obesity and expect to make good progress through Phase 1 in 2022.
Emmanuel Dulac	We expect to progress our pipeline during the year. Highlights will include two pivotal trial readouts - Glepaglutide in Short Bowel Syndrome (SBS) and dasiglucagon for Cogenital hyperinsulinism (CHI)….
Emmanuel Dulac	In Obesity we recently announced that in our programme partnered with Boeringher Ingleheim - the Phase 2 with BI 456906 in people with type 2 diabetes - all subjects are randomized and we look forward to present the data later this year and see the data from the Phase 2 data in obesity. ..
Emmanuel Dulac	We also look forward to seeing results from the SAD portion of the Phase 1 trial with our amylin analogue ZP8396 and we intend to initiate the Phase 1b multiple ascending dose trial with this product later this year…
Emmanuel Dulac	Additionally, together with our partner Beta Bionics we expect to see the dosing of the first patient in our Phase 3 program of the iLet® bionic pancreas devise for the treatment of Type 1 diabetes…
Emmanuel Dulac	On the commercial front we will continue to build on the launch of Zegalogue and in the most recent symphony health data we were encouraged to see an uptick in the number of unique prescribers which indicted an over 30% increase per week compared to what we saw over the 4th quarter of 2021.
Helge Larsen/PI-	Question from Wells: Since the introduction of Zegalogue, the revenue growth has not

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

redaktør	been impressive. You have told investors that getting the necessary coverage has been a challenge but is solved now. How confident are you going forward?
Emmanuel Dulac	The FDA approval and launch of our first commercial product Zagalogue last year was a milestone for the company, and we have consolidated our commercial organization in the US to support our efforts going forward…
Emmanuel Dulac	Zegalogue demand grew from the launch last June although this didn't translate into proportional growth in net revenue which for 2021 was 5.5 million DKK. It is not uncommon for launches in pharma to take time to build and we have been encouraged by the most recent data we have seen this year on unique prescribers...
Emmanuel Dulac	Since early this year we have seen a significant increase in coverage, and this should result in more scripts throughout 2022.
Helge Larsen/PI-redaktør	Question fra Exitnu Do you have any comments on the launch of Zegalogue regarding Zealand Pharma's competitive position? (Its market share.)?
Emmanuel Dulac	Compared to the initial period after launch we see better conditions in 2022 both in terms of driving new patient starts and in terms of access for our sales force to health care professionals which had been very difficult due to COVID.…
Emmanuel Dulac	We believe Zegalogue has a very attractive profile to address the needs of people with type 1 diabetes having a severe hypoglycemic event and we have a sharp focus on improving our market share forward.
Helge Larsen/PI-redaktør	Question fra Exitnu: Regarding your product V-Go®: How much energy and how many resources does Zealand Pharma spend on raising awareness of the product and raising sales?
Emmanuel Dulac	Vgo has been available to patients for several years and while it provides revenue to Zealand and addresses a significant medical need among a subset of people living with diabetes our main focus is to support Zegalogue during the launch.
HanneP	Can any of the ongoing Zealand Pharma studies in 2022 be affected and delayed by any worsening of the corona situation?
Emmanuel Dulac	We continually monitor the progress of our clinical studies and currently our trials are all on track. Like all businesses, we are watching the situation with COVID 19 very closely so that we can take mitigating action should the situation worsen again...
Emmanuel Dulac	Importantly, we have completed patient enrolment into the Phase 3 trials for dasiglucagon in CHI and glepaglutide in SBS, and therefore would not expect any impact on timelines for these programs on a potential worsening of the corona situation.

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

HanneP	Does the war in Ukraine immediately have any impact on the work and studies at Zealand Pharma?
Emmanuel Dulac	We do not have activities in Russia or Ukraine and therefore do not expect any direct impact on our work or studies.
HanneP	Who is in charge of the FDA-process regarding the dual hormone pump? BB or ZP or is it a collaboration?
Emmanuel Dulac	We have a non-exclusive, but very close collaboration with beta bionics, often attending each other's meetings with the FDA. Beta Bionics is responsible for the FDA process regarding the pump development, and we are responsible for issues relating to dasiglucagon development and potential approval.
Stroka	What possible partnership agreements can be expected in the coming years?
Emmanuel Dulac	We do not guide on potential partnerships. Apart from our two partnered programs (the GLU-GLP1 molecule with Boehringer Ingelheim and our Complement C3 inhibitor with Alexion), all our pipeline projects are proprietary to Zealand Pharma.…
Emmanuel Dulac	We enter partnerships if we believe there is a strong business case that collaboration will help further leverage the value of our products by providing skillsets and structures that we do not have inside our company.
Stroka	What milestones can be expected in the coming years?
Emmanuel Dulac	We do not guide on timing for potential milestones, but we have a number of partnerships, for example our partnerships with Alexion, Boehringer Ingelheim and Sanofi, where we have indicated that under the deals there are potential future milestones….
Emmanuel Dulac	Although the triggers for milestones are generally not made public, it is typical they are connected to clinical and regulatory progress in relevant programmes.
Helge Larsen/PI-redaktør	Question fra Exitnu: Beta Bionics has received $57 millions in additional funding this year. If everything goes to plan, when will it be realistic to see the Beta Bionics pump (iLet®) with insulin and Zealand Pharma's glucagon released to the US market - 2025-2030?
Emmanuel Dulac	We just initiated screening into the phase 3 program late last year and expect to dose the first patients in the trial this year. The Phase 3 trial is a 6-month trial, with a further 6 month follow up...
Emmanuel Dulac	We do not yet guide on when we expect to see results from the trial or when the product may be on the market, but if all goes well this product could contribute to our goal of having 5 commercialized products in 2025….

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

Emmanuel Dulac	We expect Beta Bionics to soon apply for FDA approval of the iLet pump in an insulin only mode, which should further reduce the risks of the program.
Helge Larsen/PI-redaktør	Question fra Exitnu: According to the grapevine, the entire SBS (Glepaglutide) market will next year reach an estimated sales value of around DKK 3.9-5.2 billion. What rate of increase / increase potential (in annual %) is to be expected in the foremost future?
Emmanuel Dulac	Since launch of the first GLP2 analogue we have seen a significant annual growth in the SBS market value. We would expect the market to continue to expand, with the potential introduction of new long-acting analogues such as glepaglutide.
HanneP	How quickly do you expect glepaglutid to achieve a satisfying penetration of the market once it eventually has been approved?
Emmanuel Dulac	We are confident that glepaglutid has a very competitive profile and could provide a much-needed alternative for patients. We are not able to give detailed market dynamics on a product that is currently not approved, but see good opportunities for capturing both existing and new patients segments with an attractive product profile.
collersteen	On the BI-partnership. I know Zealand won't guide on potential revenue from existing license agreement, but should we expect anything from the current ongong phase 2 studies? Or would it be more likely to see income from the Alexion-partnership?
Emmanuel Dulac	Both partnerships are progressing well, and we look forward to updating on progress in the future.
collersteen	Alexion/AZN: Have you noticed any change in the nature of partnership, now that AZN has been in charge for almost a year?
Emmanuel Dulac	This has always been a very good partnership and we are encouraged by the progress being made, also since AstraZeneca acquired Alexion.
collersteen	Any view/update on the CHI competitive landscape? FDA has granted breakthrough therapy designation to a competing drug.
Emmanuel Dulac	We have not seen a change in the competitor landscape for CHI and believe that dasigucagon addresses a significant unmet medical need. We are looking forward to the pivotal Phase 3 data readout in the second quarter of this year, and if positive we would work rapidly to pursue an NDA submission with the FDA.
B.Andersen	Hi Emmanuel Dulac, Welcome back. Is the transformation towards the sale of own products satisfactory for you in light of the large costs associated with this in DK and US. What challenges have been the biggest in this regard?
Emmanuel Dulac	Thank you, it's really good to be here and have this dialogue! Like many other businesses we have been challenged by the corona pandemic which has impacted

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

	our sales. The team has worked hard to overcome the challenges they have faced, and we look forward seeing the impact on – for example - payer access during 2022. We will continue to optimize our operating model to also secure success of potential future launches.
B.Andersen	Relating to obesity and the cooperation with Boehringer Ingelheim - how do the drugs from Zealand Pharma differ from the drug Novo and Lilly have?
Emmanuel Dulac	Good that Adam is here as he is an expert on this. BI456906 is a dual-acting peptide that stimulates both the GLP-1 receptor (like Novo's semaglutide) and the glucagon receptor, which is a novel approach. The hypothesis behind stimulating both receptors are to achieve the beneficial effect of GLP1 on glucose, appetite etc and the effect of glucagon on energy expenditure thereby potentially achieving higher weight loss...
Emmanuel Dulac	Lilly's terzipitide is stimulating the GLP1 and GIP receptors and thus target somewhat different biology.
Helge Larsen/PI-redaktør	Question fra Exitnu; Dutch Van Herk Investment is a major shareholder in Zealand Pharma. Van Herk Investments has done a remarkable job with their long-term investment strategy. Investing in many different and exciting biotech companies throughout the years and has continued doing so in 2021 and 2022. Do you see Van Herk Investments as an obvious candidate for a possible private placement in the future?
Emmanuel Dulac	We are very happy to have Van Herk as a significant investor in Zealand. However, we cannot comment on future financing or individual investors....
Emmanuel Dulac	We have a strong financial position going into 2022, with a cash position of 1.4 billion DKK and in the light of the current situation in the financial markets, we are also very glad to have secured non-dilutive financing with the loan agreement with Oberland Capital which supports the financing of our pipeline going forward.
Helge Larsen/PI-redaktør	The last question is from Exitnu: When will we be returning to physical general meetings? Personally it has been a great pleasure being able to meet and talk "across the coffee table" at Plesner with e.g.(/for an example) an Advisory Board member and others who can add new perspectives.
Emmanuel Dulac	We very much enjoy the opportunity to meet with our shareholders face to face at the Annual General Meeting (AGM). Virtual meetings are, however, a good alternative to provide access to the company for those who cannot join meetings in person.….
Emmanuel Dulac	We also need to balance the advantages of holding a physical meeting with the need to follow healthcare advice and protect the well-being of our employees, shareholders, and other stakeholders. This year our AGM will be held virtually, but we will continue to evaluate the right form for the AGM going forward.

Q&A ZEALAND PHARMA

22ND OF MARCH 2022 WITH EMMANUEL DULAC

Helge Larsen/PI-redaktør	Emmanuel Dulac and Adam Steensberg ..Thank You for joining us and thank you for the many fulfilling answers to our questions. We look forward to to seeing you back here on ProInvestor.com after Q1.
Emmanuel Dulac	It has been a real pleasure, thank you - we look forward to meeting you again soon.
Helge Larsen/PI-redaktør	This session is endet. :-)