
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 27, 2020

Zymeworks Inc.
(Exact name of registrant as specified in its charter)

British Columbia, Canada
(State or other jurisdiction
of incorporation)

001-38068
(Commission
File Number)

47-2569713
(IRS Employer
Identification No.)

**Suite 540, 1385 West 8th Avenue,
Vancouver, British Columbia, Canada**
(Address of principal executive offices)

V6H 3V9
(Zip Code)

(604) 678-1388

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, no par value per share	ZYME	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 7.01 REGULATION FD DISCLOSURE

On January 21, 2020, Zymeworks issued a press release announcing the filing of a preliminary prospectus supplement in connection with the issuance and sale of 4,924,729 of the Company's common shares and in lieu of common shares, to a certain investor, pre-funded warrants to purchase up to 1,075,271 common shares (the "Offering"), which was filed with the Canadian securities regulatory authorities in Canada on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com (the "Launch Press Release"). Additionally, on January 22, 2020, Zymeworks issued a press release announcing the pricing of the Offering, which was filed with the Canadian securities regulatory authorities in Canada on SEDAR (the "Pricing Press Release"). On January 24, 2020, copies of the Launch Press Release and the Pricing Press Release were furnished to the Securities Exchange Commission (the "SEC") on a Form 8-K.

Subsequently, on January 27, 2020, Zymeworks issued a press release announcing the closing of the Offering and the exercise in full of the underwriters' over-allotment option to purchase 900,000 additional shares, which was filed with the Canadian securities regulatory authorities in Canada on SEDAR (the "Closing Press Release"). A copy of this press release is attached as Exhibit 99.1 hereto.

The information provided under this Item (including Exhibit 99.1, attached hereto) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

ITEM 8.01 OTHER EVENTS

On January 27, 2020, Zymeworks filed a material change report regarding the launch, pricing and closing of the Offering, as described in the Launch Press Release, the Pricing Press Release and the Closing Press Release with the Canadian securities regulatory authorities. A copy of this material change report is attached as Exhibit 99.2 hereto.

A copy of the opinion of Blake, Cassels & Graydon LLP relating to the legality of the securities issuable under the underwriting agreement (filed as an Exhibit to Zymeworks' Current Report on Form 8-K filed on January 24, 2020) is filed as Exhibit 5.1 to this Current Report on Form 8-K and is also incorporated by reference into Zymeworks' automatic shelf registration statement on Form S-3ASR (No. 333-234517) previously filed with the SEC.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
5.1	Legal Opinion of Blake, Cassels & Graydon LLP
99.1	Press Release dated January 27, 2020.
99.2	Material Change Report dated January 27, 2020.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ZYMEWORKS INC.

(Registrant)

Date: January 27, 2020

By: /s/ Neil Klompas
Name: Neil Klompas
Title: Executive Vice President, Business Operations and
Chief Financial Officer



Blake, Cassels & Graydon LLP
 Barristers & Solicitors
 Patent & Trade-mark Agents
 595 Burrard Street, P.O. Box 49314
 Suite 2600, Three Bentall Centre
 Vancouver BC V7X 1L3 Canada
 Tel: 604-631-3300 Fax: 604-631-3309

January 27, 2020

Reference:99493/18

Zymeworks Inc.
 540 – 1385 West 8th Avenue
 Vancouver, BC V6H 3V9
 Canada

RE: Registration Statement on Form S-3ASR of Zymeworks Inc.

We have acted as Canadian counsel to Zymeworks Inc. (the “**Company**”), a company continued under the laws of British Columbia, in connection with the offering by the Company of 5,824,729 common shares in the capital of the Company, including 900,000 common shares issuable upon exercise of an option to purchase additional common shares granted to the underwriters (the “**Shares**”), and pre-funded warrants (the “**Pre-Funded Warrants**” and together with the Shares, the “**Securities**”) to purchase up to 1,075,271 common shares (the “**Warrant Shares**”) pursuant to a Registration Statement on Form S-3ASR (Registration No. 333-234517) (the “**Registration Statement**”), filed by the Company with the Securities and Exchange Commission (the “**SEC**”) under the Securities Act of 1933, as amended (the “**Securities Act**”), the prospectus included in the Registration Statement (the “**Base Prospectus**”), and the prospectus supplement related to the Securities filed by the Company with the SEC pursuant to Rule 424(b) promulgated under the Securities Act (together with the Base Prospectus, the “**Prospectus**”). We understand that the Securities are to be sold to the underwriters for resale to the public as described in the Prospectus and pursuant to an underwriting agreement, substantially in the form attached as an exhibit to a Current Report on Form 8-K filed by the Company with the SEC for incorporation by reference into the Registration Statement, entered into by and among the Company and J.P. Morgan Securities LLC and Citigroup Global Markets Canada Inc., as representatives of the several underwriters named therein (the “**Underwriting Agreement**”).

In connection with giving this opinion, we have examined the Registration Statement (including exhibits thereto) and the Prospectus. We have also examined originals, certified or otherwise identified to our satisfaction, of such public and corporate records, certificates, instruments and other documents as we have considered necessary in order to express the opinion set out below. With respect to the accuracy of factual matters material to this opinion, we have relied upon certificates or comparable documents and representations of public officials and of officers and representatives of the Company.

In giving this opinion, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as copies, certified or otherwise identified to our satisfaction. We have also considered such questions of law as we have deemed relevant and necessary as a basis for the opinion hereinafter expressed.

The opinion expressed herein is limited to matters governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.

Based and relying upon and subject to the foregoing, we are of the opinion that:

1. The Shares to be issued and sold by the Company have been duly authorized by the Company and, when the Shares are issued and paid for in accordance with the terms of the Underwriting Agreement, the Shares will be validly issued, fully paid and non-assessable shares in the capital of the Company.



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
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2. The Pre-Funded Warrants to be issued and sold by the Company have been duly authorized by the Company and, when the Pre-Funded Warrants are issued and paid for in accordance with the terms of the Underwriting Agreement, the Pre-Funded Warrants will be validly issued, fully paid and non-assessable securities in the capital of the Company and upon receipt by the Company of the payment of the exercise price for the Pre-Funded Warrants as provided for in the warrant certificate representing such Pre-Funded Warrants, the Warrant Shares will have been validly issued by the Company as fully paid and non-assessable shares in the capital of the Company.

We hereby consent to the reference to our firm under the caption “Legal Matters” in the Prospectus and to the filing of this opinion letter as an exhibit to a Current Report on Form 8-K to be filed by the Company with the SEC for incorporation by reference into the Registration Statement.

This opinion is effective as at the date hereof and is based upon laws in effect and facts in existence as at the date hereof. We express no opinion as to the effect of future laws or judicial decisions on the subject matter hereof, nor do we undertake any duty to modify this opinion to reflect subsequent facts or developments concerning the Company or developments in the law occurring after the date hereof.

Yours truly,

/s/ Blake, Cassels & Graydon LLP

TORONTO

CALGARY

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MONTRÉAL

OTTAWA

NEW YORK

LONDON

BEIJING

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Zymeworks Announces Closing of Public Offering and Exercise in Full of the Underwriters' Over-Allotment Option to Purchase Additional Shares

Vancouver, Canada (January 27, 2020) – Zymeworks Inc. (NYSE: ZYME), a clinical stage biopharmaceutical company developing multifunctional biotherapeutics (“Zymeworks” or the “Company”), announced today the closing of its previously announced underwritten public offering (the “Offering”). The Offering consisted of 5,824,729 common shares, including the exercise in full of the underwriters’ over-allotment option to purchase 900,000 additional shares, and, in lieu of common shares, to a certain investor, pre-funded warrants to purchase up to 1,075,271 common shares. The common shares were offered at a price to the public of US\$46.50 per common share and the pre-funded warrants were offered at a price of US\$46.4999 per pre-funded warrant, for aggregate gross proceeds to the Company of approximately US\$320.8 million, before deducting underwriting discounts and commissions and estimated Offering expenses.

The Company intends to use the net proceeds of the Offering (i) to accelerate and expand the global development of ZW25 both as a single agent and in combination with other anti-cancer agents in a variety of HER2-expressing tumors, including gastroesophageal, biliary tract, breast and other underserved cancers; (ii) to accelerate and expand the clinical development of ZW49; (iii) to advance other novel preclinical programs, including those involving non-HER2-expressing tumors; and (iv) for general corporate purposes.

J.P. Morgan Securities LLC and Citigroup Global Markets Canada Inc. acted as active bookrunners for the Offering. Stifel, Nicolaus & Company, Incorporated and Wells Fargo Securities Canada, Ltd. acted as bookrunners and Raymond James Ltd. acted as lead manager.

The securities described above were offered in Canada pursuant to Zymeworks’ final prospectus supplement, dated January 22, 2020 (the “**Canadian Supplement**”), to its Canadian final base shelf prospectus, dated November 18, 2019 (the “Base Prospectus”), and in the United States pursuant to Zymeworks’ final prospectus supplement, dated January 22, 2020 (the “**U.S. Supplement**”, together with the Canadian Supplement, the “**Supplements**”), to its U.S. automatic shelf registration statement on Form S-3ASR, including a prospectus dated November 5, 2019 (the “**Registration Statement**”). The Supplements were filed in Canada and the United States on January 23, 2020.

The Supplements and the Registration Statement contain important detailed information about the Offering. A copy of the Canadian Supplement can be found on SEDAR at www.sedar.com, and a copy of the U.S. Supplement and the related Registration Statement can be found on EDGAR at www.sec.gov. Copies of the Supplements may also be obtained from J.P. Morgan Securities LLC, Attention: Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, or by telephone at (866) 803-9204; Citigroup Global Markets Canada Inc., Attention: Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, or by telephone at (800) 831-9146; Stifel, Nicolaus & Company, Incorporated, Attention: Syndicate, One Montgomery Street, Suite 3700, San Francisco, CA 94104, by telephone at (415) 364-2720, or by email at syndprospectus@stifel.com; or Wells Fargo Securities Canada, Ltd., Attention: Equity Syndicate Department, 30 Hudson Yards, 500 West 33rd Street, New York, NY 10001, by telephone at (800) 326-5897, or by email at cmclientsupport@wellsfargo.com. Prospective investors should read the Supplements and the Registration Statement before making an investment decision.

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

About Zymeworks Inc.

Zymeworks is a clinical-stage biopharmaceutical company dedicated to the development of next-generation multifunctional biotherapeutics. Zymeworks' suite of therapeutic platforms and its fully integrated drug development engine enable precise engineering of highly differentiated product candidates. Zymeworks' lead clinical candidate, ZW25, is a novel Azymetric™ bispecific antibody currently in Phase 2 clinical development. Zymeworks' second clinical candidate, ZW49, is a bispecific antibody-drug conjugate currently in Phase 1 clinical development and combines the unique design and antibody framework of ZW25 with Zymeworks' proprietary ZymeLink™ cytotoxic payload. Zymeworks is also advancing a deep preclinical pipeline in oncology (including immuno-oncology agents) and other therapeutic areas. In addition, its therapeutic platforms are being leveraged through strategic partnerships with nine biopharmaceutical companies.

Cautionary Note Regarding Forward Looking Statements

This press release includes “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of Canadian securities laws, or collectively, forward-looking statements. Forward-looking statements in this news release include statements that relate to the Offering, the anticipated use of proceeds from the Offering and other information that is not historical information. When used herein, words such as “advance”, “believe”, “may”, “plan”, “will”, “estimate”, “anticipate”, “intend” and similar expressions are intended to identify forward-looking statements. In addition, any statements or information that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking. All forward-looking statements are based upon Zymeworks' current expectations and various assumptions. Zymeworks believes there is a reasonable basis for its expectations and beliefs, but they are inherently uncertain. Zymeworks may not realize its expectations, and its beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements as a result of various factors, including, without limitation, market conditions and the factors described under “Risk Factors” in the Base Prospectus, the Registration Statement, the Supplements and Zymeworks' Quarterly Report on Form 10-Q for the three month period ended September 30, 2019 (a copy of which may be obtained at www.sec.gov and www.sedar.com). Consequently, forward-looking statements should be regarded solely as Zymeworks' current plans, estimates and beliefs. You should not place undue reliance on forward-looking statements. Zymeworks cannot guarantee future results, events, levels of activity, performance or achievements. Zymeworks does not undertake and specifically declines any obligation to update, republish, or revise any forward-looking statements to reflect new information, future events or circumstances, or to reflect the occurrences of unanticipated events, except as may be required by law.

Contacts:

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FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Zymeworks Inc. (“Zymeworks” or the “Company”)
1385 West 8th Avenue, Suite 540
Vancouver, BC, Canada
V6H 3V9

Item 2: Date of Material Change

January 21, 2020, January 22, 2020 and January 27, 2020

Item 3: News Release

News releases dated January 21, 2020, January 22, 2020 and January 27, 2020 were disseminated through the facilities of Business Wire, and copies were filed on the Company’s profile at www.sedar.com.

Item 4: Summary of Material Change

On January 27, 2020, Zymeworks announced that it had closed its previously announced underwritten public offering (the “Offering”). The Offering consisted of 5,824,729 common shares, including the exercise in full of the underwriters’ over-allotment option to purchase 900,000 additional shares, and, in lieu of common shares, to a certain investor, pre-funded warrants to purchase up to 1,075,271 common shares. The common shares were offered at a price to the public of US\$46.50 per common share and the pre-funded warrants were offered at a price of US\$46.4999 per pre-funded warrant, for aggregate gross proceeds to the Company of approximately US\$320.8 million, before deducting underwriting discounts and commissions and estimated Offering expenses.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

On January 21, 2020, Zymeworks announced that it had filed a preliminary prospectus supplement (the “Canadian Supplement”) to its Canadian short form base shelf prospectus dated November 18, 2019 (the “Base Prospectus”) in connection with the Offering. The Canadian Supplement was filed with the securities regulatory authorities in each of the provinces and territories of Canada. A preliminary prospectus supplement (together with the Canadian Supplement, the “Supplements”) was also filed with the U.S. Securities and Exchange Commission as part of an automatic shelf registration statement on Form S-3ASR, including a prospectus dated November 5, 2019 (the “Registration Statement”), pursuant to which the securities would be offered in the United States.

Zymeworks announced that it expected to grant to the underwriters a 30-day over-allotment option to purchase up to an additional 15% of the number of common shares offered in the Offering, and that it expected the Offering to raise total gross proceeds of approximately US\$200.0 million, before deducting underwriting discounts and commissions and estimated Offering expenses.

On January 22, 2020, Zymeworks announced the pricing of the Offering of 4,924,729 common shares and, in lieu of common shares, to a certain investor, pre-funded warrants to purchase up to 1,075,271 common shares. The Company announced that the common shares were being offered at a price to the public of US\$46.50 per common share and the pre-funded warrants were being offered at a price of US\$46.4999 per pre-funded warrant, for aggregate gross proceeds to the Company of approximately US\$279.0 million, before deducting the underwriting discounts and commissions and estimated Offering expenses. In addition, the Company announced that it granted the underwriters of the Offering a 30-day over-allotment option to purchase up to an additional 900,000 common shares on the same terms and conditions.

On January 27, 2020, Zymeworks announced that it closed its Offering of 5,824,729 common shares, including the exercise in full of the underwriters' over-allotment option to purchase 900,000 additional shares, and, in lieu of common shares, to a certain investor, pre-funded warrants to purchase up to 1,075,271 common shares. The common shares were offered at a price to the public of US\$46.50 per common share and the pre-funded warrants were offered at a price of US\$46.4999 per pre-funded warrant, for aggregate gross proceeds to the Company of approximately US\$320.8 million, before deducting underwriting discounts and commissions and estimated Offering expenses.

The Company intends to use the net proceeds of the Offering (i) to accelerate and expand the global development of ZW25 both as a single agent and in combination with other anti-cancer agents in a variety of HER2-expressing tumors, including gastroesophageal, biliary tract, breast and other underserved cancers; (ii) to accelerate and expand the clinical development of ZW49; (iii) to advance other novel preclinical programs, including those involving non-HER2-expressing tumors; and (iv) for general corporate purposes.

J.P. Morgan Securities LLC and Citigroup Global Markets Canada Inc. acted as active bookrunners for the Offering. Stifel, Nicolaus & Company, Incorporated and Wells Fargo Securities Canada, Ltd. acted as bookrunners and Raymond James Ltd. acted as lead manager.

The securities described above were offered in Canada pursuant to Zymeworks' final prospectus supplement, dated January 22, 2020 (the "**Final Canadian Supplement**"), to its Base Prospectus, and in the United States pursuant to Zymeworks' final prospectus supplement, dated January 22, 2020 (together with the Final Canadian Supplement, the "**Final Supplements**"), to its Registration Statement. The Final Supplements were filed in Canada and the United States on January 23, 2020.

5.2 Disclosure of Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

For further information, please contact Neil Klompas, Executive Vice President, Business Operations and Chief Financial Officer of the Company at (604) 678-1388.

Item 9: Date of Report

January 27, 2020

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This material change report includes “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of Canadian securities laws, or collectively, forward-looking statements. Forward-looking statements in this material change report include statements that relate to the Offering, the anticipated use of proceeds from the Offering and other information that is not historical information. When used herein, words such as “advance”, “believe”, “may”, “plan”, “will”, “estimate”, “anticipate”, “intend” and similar expressions are intended to identify forward-looking statements. In addition, any statements or information that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking. All forward-looking statements are based upon Zymeworks’ current expectations and various assumptions. Zymeworks believes there is a reasonable basis for its expectations and beliefs, but they are inherently uncertain. Zymeworks may not realize its expectations, and its beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements as a result of various factors, including, without limitation, market conditions and the factors described under “Risk Factors” in the Base Prospectus, the Registration Statement, the Final Supplements and Zymeworks’ Quarterly Report on Form 10-Q for the three month period ended September 30, 2019 (a copy of which may be obtained at www.sec.gov and www.sedar.com). Consequently, forward-looking statements should be regarded solely as Zymeworks’ current plans, estimates and beliefs. You should not place undue reliance on forward-looking statements. Zymeworks cannot guarantee future results, events, levels of activity, performance or achievements. Zymeworks does not undertake and specifically declines any obligation to update, republish, or revise any forward-looking statements to reflect new information, future events or circumstances, or to reflect the occurrences of unanticipated events, except as may be required by law.