

**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): September 18, 2023**

**Zymeworks Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-41535**  
(Commission  
File Number)

**88-3099146**  
(IRS Employer  
Identification No.)

**108 Patriot Drive, Suite A  
Middletown, Delaware**  
(Address of principal executive offices)

**19709**  
(Zip Code)

**(302) 274-8744**  
(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:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, par value \$0.00001 per share	ZYME	The Nasdaq Stock Market LLC

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 1.02 Termination of a Material Definitive Agreement.**

On September 18, 2023, Zymeworks BC Inc. (“Zymeworks BC”), a subsidiary of Zymeworks Inc. (the “Company”), and BeiGene, Ltd. (“BeiGene”) entered into a Termination Agreement (the “Termination Agreement”) relating to the License and Collaboration Agreement between Zymeworks BC and BeiGene, relating to the research, development and commercialization of zanidatamab zovodotin (formerly known as ZW49), dated November 26, 2018, as amended on May 25, 2020 and June 2, 2021 (collectively, the “Zanidatamab Zovodotin License and Collaboration Agreement”). For clarity, the Termination Agreement does not terminate the Zanidatamab License and Collaboration Agreement (as defined below).

Previously, Zymeworks BC and BeiGene entered into the Zanidatamab Zovodotin License and Collaboration Agreement, pursuant to which Zymeworks BC granted BeiGene a royalty-bearing exclusive license for the research, development and commercialization of zanidatamab zovodotin in Asia (excluding Japan but including the People’s Republic of China, South Korea and other countries), Australia and New Zealand (collectively, the “Territory”). Pursuant to the Zanidatamab Zovodotin License and Collaboration Agreement, Zymeworks BC was eligible to receive up to \$195 million in development and commercial milestone payments and royalties ranging from the high single digit percentages up to 20% on product sales.

Pursuant to the Termination Agreement, the Zanidatamab Zovodotin License and Collaboration Agreement is terminated, effective as of September 18, 2023, and is no longer in effect, except that the termination does not relieve the parties from obligations under the Zanidatamab Zovodotin License and Collaboration Agreement that accrued prior to the termination and certain other provisions expressly indicated to survive the termination, including certain licenses to BeiGene intellectual property with respect to zanidatamab zovodotin.

The foregoing summary and description of the Zanidatamab Zovodotin License and Collaboration Agreement does not purport to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Zanidatamab Zovodotin License and Collaboration Agreement and related amendments, copies of which are filed as Exhibits 10.32, 10.33 and 10.34 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission on March 7, 2023, and are incorporated herein by reference. The foregoing summary and description of the Termination Agreement does not purport to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Termination Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 8.01 Other Events.**

In connection with the entry into the Termination Agreement, on September 18, 2023, Zymeworks BC and BeiGene also entered into the Third Amendment to License and Collaboration Agreement (the “Amendment”) relating to the License and Collaboration Agreement between Zymeworks BC and BeiGene relating to the research, development and commercialization of zanidatamab, dated November 26, 2018, as amended on March 29, 2021 and August 10, 2021 (collectively, the “Zanidatamab License and Collaboration Agreement”). Pursuant to the Zanidatamab License and Collaboration Agreement, Zymeworks BC granted BeiGene a royalty-bearing exclusive license for the research, development and commercialization of zanidatamab in the Territory. Pursuant to the Amendment, Zymeworks BC is eligible to receive tiered royalties ranging from the high single digit percentages up to 19.5% on net sales of zanidatamab, which amends the previous provision to uniformly reduce all such royalty rates by one-half of one percent (0.5%) (“Royalty Reduction”). The Royalty Reduction will apply until the cumulative reduction in royalties owed to Zymeworks BC as a result of the Royalty Reduction, relative to the royalties that would have been owed to Zymeworks BC absent the Royalty Reduction, reaches a dollar cap in the low double-digit millions of dollars. Thereafter, the Royalty Reduction will no longer apply to reduce any royalties owed to Zymeworks under the Zanidatamab License and Collaboration Agreement. Pursuant to the Amendment, the remaining provisions of the Zanidatamab License and Collaboration Agreement remain unchanged.

The foregoing summary and description of the Amendment does not purport to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the Amendment, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
10.1	<a href="#">Termination Agreement by and between Zymeworks BC Inc. and BeiGene, Ltd., dated September 18, 2023.</a>
10.2*	<a href="#">Third Amendment License and Collaboration Agreement by and between Zymeworks BC Inc. and BeiGene, Ltd., dated September 18, 2023.</a>
104	Cover Page Interactive Data File (embedded as Inline XBRL document).

\* Certain portions of this exhibit (indicated by “[...\*\*\*...]”) have been omitted in accordance with Item 601(b)(10) of Regulation S-K because the omitted information is not material and the Company customarily and actually treats such omitted information as private or confidential.

**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: September 21, 2023

By: /s/ Kenneth Galbraith

Name: Kenneth Galbraith

Title: Chair, President and Chief Executive Officer

**TERMINATION AGREEMENT**

This **TERMINATION AGREEMENT** (this “**Termination Agreement**”) is made as of the date of last signature below (the “**Termination Date**”), by and between **ZYMEWORKS BC INC.**, a corporation organized and existing under the laws of British Columbia (“**Zymeworks**”), having a place of business at 114 East 4<sup>th</sup> Avenue, Suite 800, Vancouver, B.C., V5T1G4 Canada, and **BEIGENE, LTD.**, a Cayman Island exempted company incorporated with limited liability (“**BeiGene**”), having a place of business at c/o Mourant Ozannes Corporate Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands. Zymeworks and BeiGene are referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.”

**BACKGROUND**

A. Zymeworks is a biopharmaceutical company that is developing a proprietary bispecific HER2 antibody-drug conjugate known as ZW49 (“**Product**”);

B. Zymeworks and BeiGene have entered into that certain License and Collaboration Agreement, dated November 26, 2018, as amended on May 25, 2020 and June 2, 2021, pursuant to which Zymeworks granted BeiGene certain rights to develop and commercialize the Product in the Territory (“**ZW49 Agreement**”); and

C. The Parties have agreed to terminate the ZW49 Agreement and revert all rights with respect to the Product in the Territory to Zymeworks, all in accordance with the terms and conditions set forth herein.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein below, and other good and valuable consideration, the sufficiency of which is hereby acknowledged by both Parties, the Parties agree as follows:

**AGREEMENT**

**1. Definitions.** All capitalized terms used in this Termination Agreement, but not defined herein, shall have the meaning given to such terms in the ZW49 Agreement.

**2. Termination of ZW49 Agreement.** The ZW49 Agreement is hereby terminated in its entirety, effective as of the Termination Date. Notwithstanding the foregoing, Section 15.3 and Section 15.5 of the ZW49 Agreement shall continue to apply; provided that (a) BeiGene hereby grants to Zymeworks (i) a non-exclusive, royalty-free and sublicensable (through multiple tiers) license under the BeiGene IP and (ii) an exclusive, royalty-free and sublicenseable (through multiple tiers) license under the BeiGene Collaboration IP, in each case (i) and (ii) necessary to develop, make, have made, distribute, use, sell, offer for sale, import, and otherwise commercialize any Licensed Antibody-Drug Conjugate in the Territory, and (b) Section 15.3(c) shall not apply and any and all sublicenses granted by BeiGene pursuant to the ZW49 Agreement shall terminate on the Termination Date. Zymeworks is hereby deemed to have requested the transfer to Zymeworks of all Regulatory Submissions, inventory, and Clinical Trials in accordance with Sections 15.3(e), (g), (i), and (j), if any.

**3. Mutual Releases.** Zymeworks and BeiGene shall and hereby release each other from any and all rights, obligations, duties, claims, damages, demands, debts and liabilities under any provisions of the ZW49 Agreement, or arising out of or relating to the termination of the ZW49 Agreement; provided that termination of the ZW49 Agreement shall not relieve either Party from (a) any obligation accruing prior to such termination, (b) any obligation which is expressly indicated to survive such termination in the ZW49 Agreement, unless otherwise expressly provided in this Termination Agreement, or (c) any obligation expressly set forth in this Termination Agreement.

#### **4. Publicity.**

(a) Each Party agrees not to issue any press release or other public statement, whether oral or written, disclosing the terms hereof or any of the activities conducted hereunder without the prior written consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed), provided, however, that neither Party will be prevented from complying with any duty of disclosure it may have pursuant to Applicable Laws or pursuant to the rules of any recognized stock exchange or quotation system, subject to that Party notifying the other Party of such duty and limiting such disclosure as reasonably requested by the other Party (and giving the other Party sufficient time to review and comment on any proposed disclosure).

(b) The Parties hereby acknowledge and agree that either Party may be required by Applicable Laws to submit a copy of this Termination Agreement to the U.S. Securities and Exchange Commission (the “SEC”) or any national or sub-national securities regulatory body in any jurisdiction (collectively, the “Securities Regulators”). If a Party is required by Applicable Laws to submit a description of the terms of this Termination Agreement to and/or file a copy of this Termination Agreement with any Securities Regulator, such Party agrees to consult and coordinate with the other Party with respect to such disclosure and/or the preparation and submission of a confidential treatment request for this Termination Agreement. Notwithstanding the foregoing, if a Party is required by Applicable Laws to submit a description of the terms of this Termination Agreement to and/or file a copy of this Termination Agreement with any Securities Regulator and such Party has (i) promptly notified the other Party in writing of such requirement and any respective timing constraints, (ii) provided copies of the proposed disclosure or filing to the other Party reasonably in advance of such filing or other disclosure and (iii) given the other Party a reasonable time under the circumstances to comment upon and request confidential treatment for such disclosure, then such Party will have the right to make such disclosure or filing at the time and in the manner reasonably determined by its counsel to be required by Applicable Laws or the applicable Securities Regulator. If a Party seeks to make a disclosure or filing as set forth in this Section 4(b) and the other Party provides comments within the respective time periods or constraints specified herein, the Party seeking to make such disclosure or filing will in good faith consider incorporating such comments.

**5. Representations, Warranties of Each Party.** Each Party represents and warrants to the other Party as of the Termination Date that:

(a) it has full corporate power and authority to execute, deliver, and perform this Termination Agreement, and has taken all corporate action required by Applicable Laws and its organizational documents to authorize the execution and delivery of this Termination Agreement and the consummation of the transactions contemplated by this Termination Agreement; and

(b) this Termination Agreement constitutes a valid and binding agreement enforceable against it in accordance with its terms (except as the enforceability thereof may be limited by bankruptcy, bank moratorium or similar laws affecting creditors' rights generally and laws restricting the availability of equitable remedies and may be subject to general principles of equity whether or not such enforceability is considered in a proceeding at law or in equity).

**6. Governing Law.** This Termination Agreement shall be governed by and construed in accordance with the laws of the State of New York and the patent laws of the United States without reference to any rules of conflict of laws. This Termination Agreement was prepared in the English language, which language shall govern the interpretation of, and any dispute regarding, the terms of this Termination Agreement. Any disputes, claims or controversies of any nature arising out of or relating to this Termination Agreement shall be subject to the dispute resolution procedures set forth in Section 16.5 of the ZW49 Agreement.

**7. Entire Agreement; Severability; Other Terms.** This Termination Agreement sets forth the entire agreement and understanding of the Parties as to the subject matter hereof and supersedes all proposals, oral or written, and all other communications between the Parties with respect to such subject matter. Should one or more of the provisions of this Termination Agreement become void or unenforceable as a matter of Applicable Laws, then this Termination Agreement shall be construed as if such provision were not contained herein and the remainder of this Termination Agreement shall be in full force and effect, and the Parties will use their best efforts to substitute for the invalid or unenforceable provision a valid and enforceable provision which conforms as nearly as possible with the original intent of the Parties. The failure of any Party to assert a right hereunder or to insist upon compliance with any term or condition of this Termination Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party. No waiver shall be effective unless it has been given in writing and signed by the Party giving such waiver. No provision of this Termination Agreement may be amended or modified other than by a written document signed by authorized representatives of each Party. This Termination Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and permitted assigns.

**8. Counterparts.** This Termination Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

*[Remainder of page left blank intentionally.]*

**IN WITNESS WHEREOF**, the Parties intending to be bound have caused this Termination Agreement to be executed by their duly authorized representatives.

**ZYMEWORKS BC INC.**

By: /s/ Ken Galbraith  
Name: Ken Galbraith  
Title: Chair & Chief Executive Officer  
Date: September 18, 2023

**BEIGENE, LTD.**

By: /s/ Chan Lee  
Name: Chan Lee  
Title: General Counsel  
Date: September 15, 2023

CERTAIN PORTIONS OF THIS EXHIBIT (INDICATED BY [\*\*\*\*]) HAVE BEEN EXCLUDED PURSUANT TO ITEM 601(B)(10) OF REGULATION S-K BECAUSE THEY ARE BOTH NOT MATERIAL AND ARE THE TYPE THAT THE COMPANY TREATS AS PRIVATE AND CONFIDENTIAL.

EXECUTION COPY

### THIRD AMENDMENT TO LICENSE AND COLLABORATION AGREEMENT

This Third Amendment (the “**Third Amendment**”) to the ZW25 Agreement (as defined below), is entered into as of the date of last signature below (the “**Third Amendment Effective Date**”), by and between **ZYMEWORKS BC INC.** (formerly named Zymeworks Inc.), a corporation organized and existing under the laws of British Columbia (“**Zymeworks**”), having a place of business at 114 East 4<sup>th</sup> Avenue, Suite 800, Vancouver, B.C., V5T1G4 Canada, and **BEIGENE, LTD.**, a Cayman Island exempted company incorporated with limited liability (“**BeiGene**”), having a place of business at c/o Mourant Governance Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands. Zymeworks and BeiGene are each referred to individually as a “**Party**” and together as the “**Parties**”.

### BACKGROUND

- A. Zymeworks and BeiGene entered into that certain License and Collaboration Agreement, dated November 26, 2018, as amended pursuant that certain First Amendment to Collaboration Agreement dated effective March 29, 2021 and pursuant to that certain Second Amendment to the License and Collaboration Agreement dated effective August 10, 2021, pursuant to which BeiGene obtained an exclusive license under certain patents and know-how controlled by Zymeworks to develop and commercialize Zymeworks’ proprietary bispecific HER2 antibody known as ZW25 in the Field in the Territory (the “**ZW25 Agreement**”);
- B. Zymeworks and BeiGene have also entered into that certain License and Collaboration Agreement, dated November 26, 2018, as amended on May 25, 2020 and June 2, 2021, pursuant to which Zymeworks granted BeiGene certain rights to develop and commercialize ZW49, a novel dual anti-HER2 bispecific antibody drug conjugate (“**ZW49 Agreement**”);
- C. The Parties are terminating the ZW49 Agreement concurrent herewith and have agreed to amend certain financial obligations under the ZW25 Agreement in response to such termination.
- D. The Parties now desire to amend the ZW25 Agreement as set forth herein.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein below, the sufficiency of which is acknowledged by both Parties, the Parties agree as follows as of the Third Amendment Effective Date:

### AGREEMENT

1. **Definitions.** Unless otherwise defined in this Third Amendment, initially capitalized terms used herein shall have the meanings given to them in the ZW25 Agreement.



2. **Section 9.5(c)(vi). Royalty Reduction.** A new Section 9.5(c)(vi) is hereby added to the ZW25 Agreement after Section 9.5(c)(v), as follows:

“(vi) **Negotiated Reduction.** Without limiting any other reduction set forth herein, the royalty rates set forth in Section 9.5(a) shall each be reduced by one-half of one percent (0.5%) (the “**Rate Reduction**”) until the Cap is achieved, at which point the Rate Reduction shall cease to apply and full royalty rates set forth in Section 9.5(a) shall apply until the expiration of the applicable Royalty Term. For purposes of the foregoing, the “**Cap**” means the cumulative reduction in royalties owed to Zymeworks as a result of the Rate Reduction, relative to the royalties that would have been owed to Zymeworks absent the Rate Reduction, which shall equal [\*\*\*] US Dollars (\$[\*\*\*]).”

By way of illustration, assume in a Calendar Year that (i) aggregate Net Sales of Licensed Product in the Territory in US Dollars total [\*\*\*] US Dollars (\$[\*\*\*]) and (ii) no adjustments or deductions under Section 9.5(c) apply. The total royalties due and payable by BeiGene to Zymeworks for such Net Sales would be [\*\*\*] US Dollars (\$[\*\*\*]), calculated as follows:

\$[***]	x [***]%	= \$[***]
\$[***]	x [***]%	= \$[***]
\$[***]	x [***]%	= \$[***]
\$[***]	x [***]%	= \$[***]
\$[***]	x 19.5%	= \$[***]
Total Royalty		= \$[***]

3. **No Other Modifications.** Except as specifically set forth in this Third Amendment, the terms and conditions of the ZW25 Agreement shall remain in full force and effect. No waiver of any obligation under this Third Amendment shall be effective unless it has been given in writing and signed by the Party giving such waiver. No provision of this Third Amendment may be amended or modified other than by a written document signed by authorized representatives of each Party.

4. **Miscellaneous.** This Third Amendment, together with the ZW25 Agreement, sets forth the entire agreement and understanding of the Parties as to the subject matter hereof and supersedes all proposals, oral or written, and all other communications between the Parties with respect to such subject matter. This Third Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Third Amendment shall be governed by and construed in accordance with the laws of the State of New York and the patent laws of the United States without reference to any rules of conflict of laws.

*[Remainder of page left blank intentionally; signature page to follow.]*

**IN WITNESS WHEREOF**, the Parties intending to be bound have caused this Amendment to be executed by their duly authorized representatives.

**ZYMEWORKS BC INC.**

By: /s/ Ken Galbraith  
Name: Ken Galbraith  
Title: Chair & Chief Executive Officer  
Date: September 18, 2023

**BEIGENE, LTD.**

By: /s/ Chan Lee  
Name: Chan Lee  
Title: General Counsel  
Date: September 15, 2023

*[Signature page to Third Amendment to License and Collaboration Agreement]*