

**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): February 6, 2024

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Director Appointment

On February 7, 2024, the board of directors (the “Board”) of Zymeworks Inc. (the “Company”), upon recommendation from the nominating and corporate governance committee of the Board, appointed Dr. Alessandra Cesano as a director of the Company, effective as of February 8, 2024. Dr. Cesano was appointed as a Class I director with a term expiring at the Company’s 2025 annual general meeting of stockholders.

There are no transactions and no proposed transactions between Dr. Cesano or any member of her immediate family and the Company or its subsidiaries that would require disclosure under Item 404(a) of Regulation S-K under the Securities Act of 1933, as amended, and there is no arrangement or understanding between Dr. Cesano and any other person or entity pursuant to which Dr. Cesano was appointed as a director of the Company.

Dr. Cesano will participate in the Company’s standard compensation plan for non-employee directors, including an initial stock option grant to purchase 74,000 shares of common stock, which will be granted to Dr. Cesano on February 8, 2024. The standard compensation plan for non-employee directors is described below. Dr. Cesano will also enter into the Company’s standard form of indemnification agreement for directors and executive officers.

Director Resignation

In addition, on February 6, 2024, Dr. Kenneth Hillan submitted his resignation from the Board, including as chair and member of the nominating and corporate governance committee and as member of the research and development committee of the Board, effective February 8, 2024. Dr. Hillan’s resignation was not the result of any disagreement with the Company on any matter relating to the Company’s operations, policies or practices.

Committee Appointments

In connection with Dr. Hillan’s resignation, Dr. Cesano was appointed as a member of the nominating and corporate governance committee and the research and development committee of the Board, replacing Dr. Hillan. Also, Mr. Derek Miller, a current director of the Company and member of the audit committee and the nominating and corporate governance committee of the Board, was appointed as chair of the nominating and corporate governance committee to replace Dr. Hillan.

A press release announcing Dr. Cesano’s appointment to the Board is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Non-Employee Director Compensation Policy

The Company’s Amended and Restated Director Compensation Policy provides for the following cash and equity compensation to our non-employee directors:

Cash Compensation:

	<u>Amount (\$)</u>
Board of Directors:	
Member	40,000
Lead Independent Director	65,000
Audit Committee:	
Member	10,000
Chair	20,000
Compensation Committee:	
Member	7,500
Chair	15,000
Nominating and Corporate Governance Committee:	
Member	5,000
Chair	10,000
Research and Development Committee:	
Member	6,000
Chair	15,000

Equity Compensation:

Non-employee directors will be granted an initial option grant to purchase 74,000 shares of common stock, to be granted on or about the time such director joins the Board, with a vesting schedule of 1/36th of the options vesting on each monthly anniversary of the grant date, subject to the optionee's continued service through such date.

In addition, non-employee directors will be granted an annual option grant to purchase 37,000 shares of common stock, to be granted at or about the time of the Company's annual meeting of stockholders, with a vesting schedule of 100% of the options vesting on the date of the next year's annual meeting of stockholders, subject to the optionee's continued service through such date.

Upon cessation of a non-employee director's continued service, each outstanding stock option held by such director is subject to (i) full acceleration of vesting of options granted as annual equity awards in connection with the Company's 2022 annual meeting of stockholders for directors departing on or after May 24, 2023 and at or prior to the 2023 annual meeting of stockholders held on December 7, 2023 (the "2023 Annual Meeting") and (ii) pro rata acceleration of vesting of options granted as annual equity awards in connection with the 2023 Annual Meeting for directors departing after the 2023 Annual Meeting, but at or before the Company's 2024 annual meeting of stockholders, with the pro rata acceleration determined based on the number of full or partial months served as a non-employee director on and after the 2023 Annual Meeting date.

In addition, the post-termination exercise period for vested options held by departing directors is extended to three years following the director's cessation of service (or, if earlier, upon the expiration of the option).

Item 8.01 Other Events.

Following Dr. Cesano's appointment to the Board's nominating and corporate governance committee and research and development committee and Mr. Miller's appointment as the chair of the Board's nominating and corporate governance committee, the composition of the committees is as follows:

<u>Audit Committee</u>	<u>Compensation Committee</u>	<u>Nominating and Corporate Governance Committee</u>	<u>Research and Development Committee</u>
Carlos Campoy (Chair)	Hollings C. Renton (Chair)	Derek Miller (Chair)	Kelvin Neu (Chair)
Troy M. Cox	Susan Mahony	Carlos Campoy	Nancy Davidson
Derek Miller	Nancy Davidson	Alessandra Cesano	Alessandra Cesano

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated February 8, 2024.
104	Cover Page Interactive Data File (embedded as Inline XBRL document).

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: February 8, 2024

By: /s/ Kenneth Galbraith

Name: Kenneth Galbraith

Title: Chair and Chief Executive Officer



Zymeworks Announces Appointment of Dr. Alessandra Cesano to its Board of Directors

Vancouver, British Columbia (February 8, 2024) – Zymeworks Inc. (Nasdaq: ZYME), a clinical-stage biotechnology company developing a diverse pipeline of novel, multifunctional biotherapeutics to improve the standard of care for difficult-to-treat diseases, today announced the appointment of Dr. Alessandra Cesano to its board of directors effective February 8, 2024.

Dr. Cesano succeeds Dr. Kenneth Hillan, who will step down effective today after a successful 7-year tenure as a director of Zymeworks.

“Zymeworks is honored to welcome Dr. Cesano to our board of directors,” said Kenneth Galbraith, Chair and Chief Executive Officer of Zymeworks. “She brings more than 25 years of experience in drug development, diagnostics, and cancer immunology. Her appointment further refreshes and strengthens the governance structure of the company, and her guidance will be an important asset for us as we work to rapidly advance and expand our pipeline of novel antibody-drug conjugates and multispecific antibodies. She joins three other new directors appointed in 2023: Mr. Derek Miller, Mr. Carlos Campoy, and Dr. Nancy Davidson.”

“The Zymeworks board of directors is sincerely grateful to Dr. Hillan for his dedicated service and significant contributions to the board. We thank him for the important impact he has had on the Company and we wish him continued success,” said Dr. Susan Mahony, lead independent director of Zymeworks.

“I’m excited to join the board of directors of Zymeworks and help further its mission to make a meaningful difference in the lives of patients around the world who are impacted by difficult-to-treat cancers and other serious diseases,” said Dr. Cesano. “I look forward to collaborating with the talented team and experienced board of directors and leveraging my insights in global clinical development to further advance the company’s next-generation oncology therapeutics.”

Dr. Cesano currently serves as a director at Puma Biotechnology and Summit Therapeutics. Since July 2019, she has served as the Chief Medical Officer of ESSA Pharmaceuticals, a pharmaceutical company developing therapies for the treatment of prostate cancer. Prior to joining ESSA, Dr. Cesano was the Chief Medical Officer of NanoString Technologies, Inc. from July 2015 to July 2019, where she focused on development of translational and diagnostic multi-plexed assays for the characterization and measurement of mechanisms of immune response and resistance. Dr. Cesano has also held management positions at Amgen Inc., Biogen Inc. (formerly Biogen Idec) and SmithKline Beecham Pharmaceuticals, where she helped to advance various oncology drugs through late-stage development and FDA approval. She currently serves as associate editor for the Biomarker section of the *Journal for ImmunoTherapy of Cancer* and co-chair of the Society for Immunotherapy of Cancer (SITC) regulatory committee. She has been an author on more than 140 publications. Dr. Cesano received an M.D. *summa cum laude*, a board certification in oncology and a Ph.D. in tumor immunology from the University of Turin, Italy.

Dr. Cesano was also appointed to serve as a member of the research and development committee and nominating and corporate governance committee of the board of directors. In addition, Mr. Miller was appointed as the chair of the nominating and corporate governance committee.

About Zymeworks Inc.

Zymeworks is a global biotechnology company committed to the discovery, development, and commercialization of novel, multifunctional biotherapeutics. Zymeworks' mission is to make a meaningful difference in the lives of people impacted by difficult-to-treat cancers and other diseases. The Company's complementary therapeutic platforms and fully integrated drug development engine provide the flexibility and compatibility to precisely engineer and develop highly differentiated antibody-based therapeutic candidates. Zymeworks engineered and developed zanidatamab, a HER2-targeted bispecific antibody using the Company's proprietary Azymetric™ technology. Zymeworks has entered into separate agreements with BeiGene, Ltd. (BeiGene) and Jazz Pharmaceuticals Ireland Limited (Jazz), granting each exclusive rights to develop and commercialize zanidatamab in different territories. Zanidatamab is currently being evaluated in multiple global clinical trials as a potential best-in-class treatment for patients with HER2-expressing cancers. Zymeworks is rapidly advancing a deep pipeline of product candidates based on its experience and capabilities in both antibody drug conjugates and multispecific antibody therapeutics across multiple novel targets in indications that represent areas of significant unmet medical need. In addition to Zymeworks' wholly owned pipeline, its therapeutic platforms have been further leveraged through strategic partnerships with global biopharmaceutical companies. For information about Zymeworks, visit www.zymeworks.com and follow @ZymeworksInc on X.

Cautionary Note Regarding Forward-Looking Statements

This press release includes "forward-looking statements" or information within the meaning of the applicable securities legislation, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements in this press release include, but are not limited to, statements that relate to potential therapeutic effects and commercial potential of zanidatamab and Zymeworks' other product candidates; Zymeworks' clinical development of its product candidates and enrollment in its clinical trials; the ability to advance product candidates into later stages of development; and other information that is not historical information. When used herein, words such as "plan", "believe", "expect", "may", "continue", "anticipate", "potential", "will", "progress", 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: clinical trials may not demonstrate safety and efficacy of any of Zymeworks' or its collaborators' product candidates; any of Zymeworks' or its partners' product candidates may fail in development, may not receive required regulatory approvals, or may be delayed to a point where they are not commercially viable; regulatory agencies may impose additional requirements or delay the initiation of clinical trials; the impact of new or changing laws and regulations; market conditions; and the factors described under "Risk Factors" in Zymeworks' quarterly and annual reports filed with the Securities and Exchange Commission, including its Quarterly Report on Form 10-Q for its quarter ended September 30, 2023 (a copy of which may be obtained at www.sec.gov and www.sedar.com).

Although Zymeworks believes that such forward-looking statements are reasonable, there can be no assurance they will prove to be correct. Investors should not place undue reliance on forward-looking statements. The above assumptions, risks and uncertainties are not exhaustive. Forward-looking statements are made as of the date hereof and, except as may be required by law, Zymeworks undertakes no 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.

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