zymeworks

First Half 2023 Results Conference Call and Webcast

August 10, 2023

Nasdaq: ZYME | zymeworks.com

Forward-Looking Statements

This presentation and the accompanying oral commentary include "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 presentation and the accompanying oral statements include, but are not limited to, statements that relate to Zymeworks' expectations regarding implementation of its strategic priorities; the anticipated benefits of the collaboration agreement with Jazz, including Zymeworks' ability to receive any future milestone payments and royalties thereunder; the potential addressable market of zanidatamab; the timing of and results of interactions with regulators; Zymeworks' clinical development of its product candidates and enrollment in its clinical trials; the timing and status of ongoing and future studies and the related data; anticipated clinical data presentations; expectations regarding future regulatory filings and approvals and the timing thereof; potential therapeutic effects of zanidatamab and Zymeworks' other product candidates; expected financial performance and future financial position; the commercial potential of technology platforms and product candidates; anticipated continued receipt of revenue from existing and future partners; Zymeworks' preclinical pipeline; anticipated sufficiency of cash resources and other potential sources of cash to fund Zymeworks' planned operations through at least the end of 2026, and potentially beyond Zymeworks' anticipated net operating cash burn and planned capital expenditures in 2023; Zymeworks' ability to execute new collaborations and partnerships and other information that is not historical information. Forward-looking statements can often be identified by the use of terminology such as "subject to," "anticipate," "plan," "expect," "estimate," "project," "may," "will," "should," "would," "could," "can," the negatives thereof, variations thereon and similar expressions, or by discussions of strategy. 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, including, without limitation, our examination of historical operating trends, are based upon our current expectations and various assumptions. We believe there is a reasonable basis for our expectations and beliefs, but they are inherently uncertain. We may not realize our expectations, and our 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: 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; Zymeworks may not achieve milestones or receive additional payments under its collaborations; regulatory agencies may impose additional requirements or delay the initiation of clinical trials; the impact of new or changing laws and regulations; market conditions; the impact of the pandemic and other health crises on Zymeworks' business, research and clinical development plans and timelines and results of operations, including impact on its clinical trial sites, collaborators, and contractors who act for or on Zymeworks' behalf; clinical trials may not demonstrate safety and efficacy of any of Zymeworks' or its collaborators' product candidates; Zymeworks' assumptions and estimates regarding its financial condition, future financial performance and estimated cash runway may be incorrect; inability to maintain or enter into new partnerships or strategic collaborations; 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 June 30, 2023 (a copy of which may be obtained at www.sec.gov and www.sedar.com).

These forward-looking statements are made only as of the date hereof, and Zymeworks Inc. undertakes no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.


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Chris Astle, Ph.D.
Senior Vice President & Chief Financial Officer

First Half 2023 Financial Results

In millions USD	1H22	1H23
Revenue	$7.4	$42.6
R&D Expense	$118.5	$85.3
G&A Expense	$27.3	$38.7
Net Income (Loss)	$(137.2)	$(75.5)
Cash Resources[1]	$241.8	$431.4[2]

- **Revenue** in 1H23 primarily driven by $40.9 million, net of a credit issued to Jazz for amendments to our partnership agreement, for development support and drug supply revenue from Jazz
- **R&D Expense** decrease primarily due to lower manufacturing expenses for zanidatamab and a reduction in development costs per the terms of our amended collaboration agreement with Jazz, partially offset by an increase in preclinical expenses compared to the same period in 2022. In addition, salaries and benefits expenses decreased for 1H23, due to lower headcount and lower non-recurring severance expenses
- **G&A Expense** included higher expenses for professional services, compared to the same period in 2023, partially offset by lower salaries and benefits due to lower headcount as well as non-recurring severance expenses as compared to the first half of 2022
- **Net Loss** decrease of 45% was primarily driven by higher revenue relative to the same period in 2022
- **Cash Resources**[1] are anticipated to fund our planned operations through the end of 2026, and potentially beyond

R&D: research and development; G&A: general and administrative; USD: United States dollar
1. Cash resources consist of cash, cash equivalents, and marketable securities.
2. Cash resources for 1H23 do not include potential reimbursable amounts related to the development of zanidatamab.
Note: All financial results are as-reported for the six months ended June 30, 2022, and June 30, 2023, respectively.

Zanidatamab: Financial Terms of Licensing Agreement with Jazz

	Licensing Agreement Terms[1]
Counterparty	Jazz Pharmaceuticals
Upfront Payments	$375,000,000 received in 4Q22
Regulatory Milestones	Up to $525,000,000
Commercial Milestones	Up to $862,500,000
Royalties	Tiered royalties of 10 to 20% of net sales
Current R&D Spend	All costs for ongoing clinical studies to be borne by Jazz[2]
Territories	US, EU, Japan and all other territories except those in Asia Pacific not covered by BeiGene agreement
Future R&D Spend	Jazz to fund 100% of costs of future studies

Summary of 1H 2023 Financial Impacts

- Sale and purchase agreement of zanidatamab development program to Jazz included **$15M receipt** for purchase of prepaid expenses and transfer of employees
- **~$46M in receivables** associated with zanidatamab development costs for collaboration activity and recharges under our amended collaboration agreement
- Go forward collaborative revenue from drug supply payments from Jazz

[1] All dollar values in US Dollars
[2] Zymeworks will continue to manufacture zanidatamab and be reimbursed for manufacturing costs by Jazz

Important Anticipated Milestones & Opportunities Throughout Product Pipeline

2023

- **Phase 2 1L GEA Follow-Up (presented January 19 at ASCO GI)** zanidatamab + chemotherapy
- **Additional publications** on preclinical development candidates **(presented at AACR)**
- **HERIZON-BTC-01 (June 2 at ASCO)** Full data presentation — Q2
- **Nomination of ZW220 as next product candidate** for Preclinical Development with target IND filing in 2025
- **Present additional Phase 1 data** for zanidatamab zovodotin **(2H23)**
- **Expand zanidatamab zovodotin into a Phase 2** study in HER2 non-small cell lung cancer in combination with the current standard of care **(2H23)**
- **Additional clinical data presentations** for zanidatamab **(Oct at ESMO 2023)**

2024

- **Submit 2 IND Applications** for ZW171 and ZW191
- **HERIZON-GEA-01** Anticipate Top-Line Data
- **Continue leveraging platforms** to generate preclinical product candidates and partnerships
- **Earn additional milestone payments** for expansion or extension of existing legacy platform agreements
- **Nominate additional potential product candidate** for preclinical development with target IND filing in 2026

BTC: Biliary tract cancers; GEA; gastroesophageal adenocarcinoma; IND: investigational new drug; ASCO: American Society of Clinical Oncology; AACR: American Association of Cancer Research

Zanidatamab: Recent Data Continue to Support Broad Activity in HER2-expressing Cancers

HERIZON-BTC-01
Full Clinical Results (ASCO 2023)

- cORR of 41.3% [95% CI: 30.4, 52.8]
- mDOR of 12.9 months [95% CI: 5.95, NE]
- PFS of 5.5 months [95% CI: 3.7, 7.2]
- Safety profile of zanidatamab was consistent with previously reported monotherapy studies with no new safety signals identified

Phase 2 data (NCT04466891) as reported in Company press release | Jun 2023

Phase 1b/2 data in 1L mBC
Updated Results Presented by BeiGene (ASCO 2023)

- cORR of 90.9% [95% CI: 75.7, 98.1]
- DCR of 97.0% [95% CI: 84.2, 99.9]
- 6-month PFS of 93.9% [95% CI: 77.9, 98.4]
- 12-month PFS of 73.3% [95% CI: 50.7, 86.7]
- Combination of zanidatamab and docetaxel had a manageable safety profile, with incidence of treatment-related adverse events consistent with previous reports

Phase 1b/2 data as reported at ASCO by partner BeiGene | Jun 2023

Zanidatamab has shown **broad activity in HER2-expressing cancers** and **path forward for indications beyond BTC and GEA** to be determined by ongoing development efforts

ASCO: American Society of Clinical Oncology; BTC: biliary tract cancer; CI; confidence interval; cORR: confirmed objective response rate; DCR: disease control rate; mDOR: median duration of response; mBC: metastatic breast cancer; mPFS: median progression-free survival; NE: non-estimatable

Zanidatamab: Data Continue to Support Broad Activity in HER2-expressing Gastroesophageal Adenocarcinoma (GEA)

Phase 2 data in 1L GEA
Updated Clinical Results (ASCO GI 2023)

- cORR of 79% [95% CI: 63, 90]
- DCR of 92% [95% CI: 79, 98]
- mDOR of 20.4 months [95% CI: 8.3, NE]
- mPFS of 12.5 months [95% CI: 7.1, NE]
- 12-month OS of 88% [95% CI: 73, 95]
- 18-month OS of 84% [95% CI: 68, 93]
- Safety profile of zanidatamab was consistent with previously reported combination studies with no new safety signals identified

Phase 2 data (NCT03929666) as reported in Company press release | Jan 2023

Phase 1b/2 data in 1L G/GJEC
Preliminary Results Presented by BeiGene (ASCO 2022)

- cORR of 75.8% [95% CI: 25, 33]
- DCR of 100% [95% CI: 33, 33]
- DOR ranged from 2.1+ to 18.2+ months
- Combination of zanidatamab and tislelizumab in combination with the CAPOX chemotherapy had a manageable safety profile and is consistent with previous reports

Phase 1b/2 data as reported at ASCO by partner BeiGene | Jun 2022

The pivotal trial, HERIZON-GEA-01, evaluating zanidatamab in 1L GEA is ongoing and **top-line data are expected in 2024**

ASCO: American Society of Clinical Oncology; CI; confidence interval; cORR: confirmed objective response rate; DCR: disease control rate; mDOR: median duration of response;; mPFS: median progression-free survival; NE: non-estimatable; G/GJEC: gastric/gastroesophageal junction adenocarcinoma

Differentiated Development of Multi-Specific Antibody Therapeutics

Versatile multi-specific antibody therapeutics designed for potency and precision, with a robust clinical pipeline

Program	Potential Indication	Target(s)	Preclinical	Phase 1	Phase 2	Pivotal	Collaboration Partners
Zanidatamab Bispecific	BTC	HER2 x HER2	HERIZON-BTC-01				Jazz Pharmaceuticals, BeiGene
	GEA	HER2 x HER2	HERIZON-GEA-01				Jazz Pharmaceuticals, BeiGene
	BC and other solid tumors	HER2 x HER2	8+ ongoing Phase 1 & Phase 2 trials (view)				Jazz Pharmaceuticals, BeiGene
ZW171 Bispecific T-Cell Engager (TCE)	Pancreatic, OVCA, CRC	MSLN x CD3 (2+1)	On track for IND filing in 2024				
TriTCE Co-Stimulatory Trispecific T cell engager	Under active evaluation	CLDN18.2 x CD3 x CD28	Pilot toxicology studies				
TriTCE Checkpoint Inhibition Trispecific T cell engager	Under active evaluation	TAA x PD-L1 x CD3	Pilot toxicology studies				
Selected Partnered Programs							
JNJ-78278343 Bispecific	Castration-Resistant Prostate Cancer	CD3 x KLK2	Azymetric™ | EFECT™				Johnson & Johnson Innovation
Undisclosed Bispecific	Oncology	Undisclosed	Azymetric™ | EFECT™				Bristol Myers Squibb[1]

[1]Original Agreement with Celgene (now a Bristol-Myers Squibb company).
BTC: biliary tract cancers, CLDN: claudin, CRC: colorectal cancer, GEA: gastroesophageal adenocarcinoma, HER2: human epidermal growth factor 2, IND: investigational new drug, BC: breast cancer, MSLN: mesothelin, OVCA: ovarian cancer, TAA: tumor associated antigen, TriTCE: trispecific t-cell engager

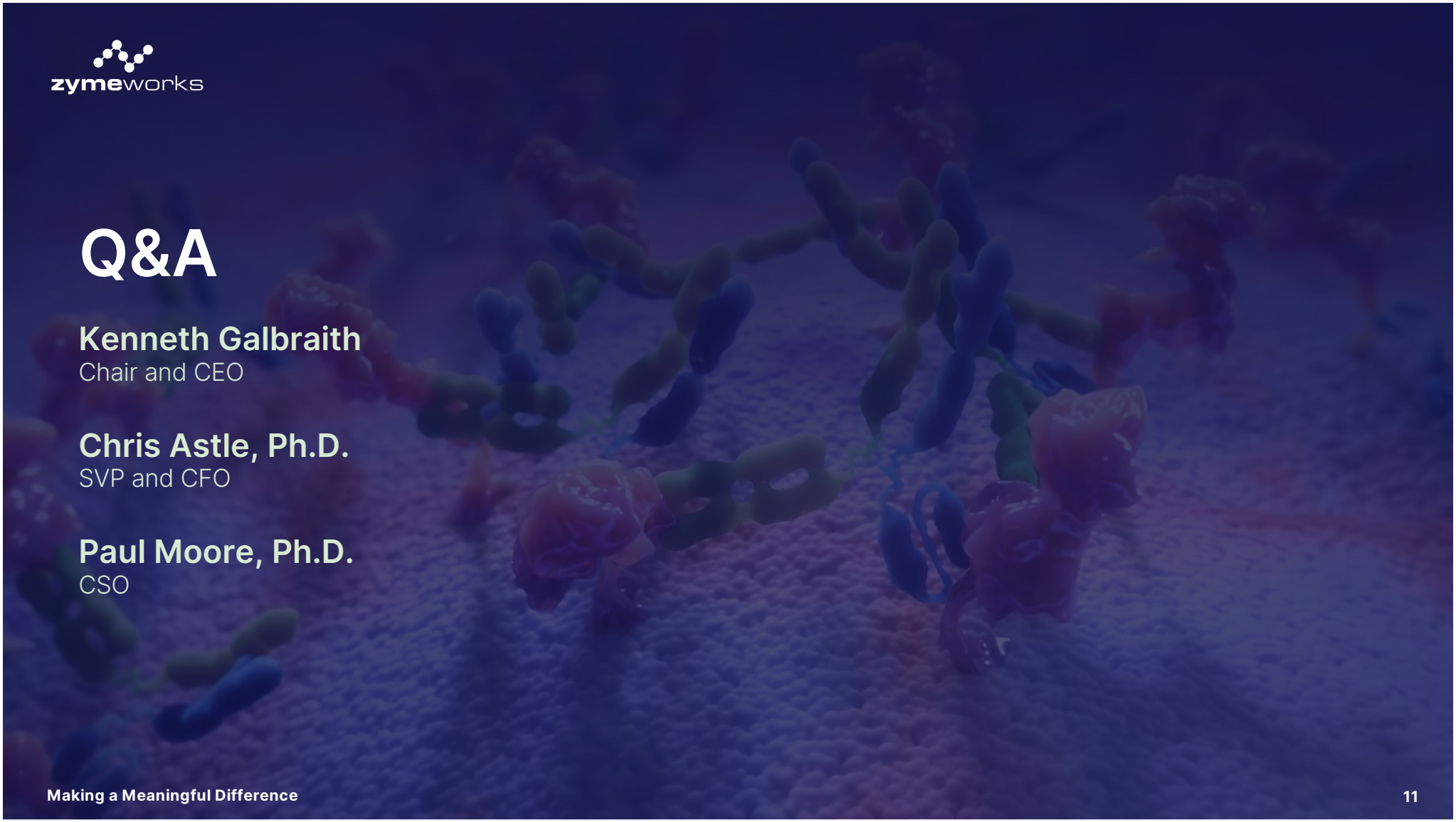
Differentiated Development of Antibody Drug Conjugates

Designing next-generation antibody drug conjugates (ADCs) on targets with evidence of clinical activity and addressing areas of unmet therapeutic potential

Program	Potential Indication	Target(s)	Payload	DAR (Range)	Preclinical	Phase 1	Phase 2	Pivotal	Collaboration Partners
Zanidatamab zovodotin ADC	NSCLC	HER2	Auristatin	2		NCT03821233			
ZW191 ADC	Gynecological cancers, NSCLC, TNBC	FRα	Topoisomerase 1 Inhibitor	8		On track for IND filing in 2024			
ZW220 ADC	OVCA, NSCLC	NaPi2b	Topoisomerase 1 Inhibitor	4		Expected IND filing 1H2025			
ZW251 ADC	Hepatocellular carcinoma	GPC3	Topoisomerase 1 Inhibitor	4-8		Lead format under evaluation			
Selected Partnered Program									
XB002 (ICON-2) ADC	Solid tumors	Tissue Factor	Auristatin	Undisclosed		NCT04925284			EXELIXIS[1] mid-single digit royalty

[1] Agreement with Iconic; XB002 in-licensed by Exelixis

DAR: drug to antibody ratio (average), FR: folate receptor, GPC: glypican, NaPi2b: sodium-dependent phosphate transporter 2B, NSCLC: non-small cell lung cancer, OVCA: ovarian cancer, TNBC: triple-negative breast cancer



Q&A

Kenneth Galbraith
Chair and CEO

Chris Astle, Ph.D.
SVP and CFO

Paul Moore, Ph.D.
CSO