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): May 08, 2024

APTEVO THERAPEUTICS INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware	**001-37746**	**81-1567056**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**
2401 4th Avenue Suite 1050 Seattle, Washington		**98121**
(Address of Principal Executive Offices)		**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (206) 838-0500

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, $0.001 par value	APVO	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 2.02 Results of Operations and Financial Condition.

On May 8, 2024, Aptevo Therapeutics Inc. (the "Company") issued a press release announcing its financial results for the period ended March 31, 2024. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information in this report, including the exhibit hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission (the "SEC") made by the Company, whether made before, on or after the date hereof, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release dated May 8, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

APTEVO THERAPEUTICS INC

Date: May 8, 2024

By: /s/ Marvin L. White
Marvin L. White
President and Chief Executive Officer

Exhibit 99.1

APTEVO THERAPEUTICS REPORTS 1Q 2024 FINANCIAL RESULTS AND PROVIDES A BUSINESS UPDATE

Heavily pre-treated breast cancer patient who achieved stable disease on study, remains on treatment for more than eleven months after entering the **ALG.APV-527** Phase 1 trial with progressive disease and transitioning to higher dose with potential for greater clinical benefit, experienced no new adverse events since the transition to the higher dose level

APVO436 Phase 1b/2 dose optimization trial initiation of APVO436 for frontline AML in combination with venetoclax + azacitidine in venetoclax naïve patients expected 2Q 2024

SEATTLE, WA – May 8, 2024 – Aptevo Therapeutics Inc. (Nasdaq: APVO), a clinical-stage biotechnology company focused on developing novel immune-oncology therapeutics based on its proprietary ADAPTIR™ and ADAPTIR-FLEX™ platform technologies, today reported financial results for the quarter ended March 31, 2024 and provided a business update.

- A heavily pretreated breast cancer patient, enrolled in the **ALG.APV-527** Phase 1 open-label, multi-center, multi-cohort trial for the treatment of multiple solid tumor types, entered the trial with progressive disease and improved to long-lasting stable disease (SD) while on therapy. The patient has remained on study for more than eleven months, having been successfully transitioned to a higher dose level and has experienced no new adverse events since the transition. The higher dose may allow for increased clinical benefit. The trial is more than 50% enrolled and we are dosing cohort 5. Additional information about the Company's ALG.APV-527 clinical program appears below.

- The Company is on track to initiate its upcoming dose optimization trial in 2Q 2024to further evaluate **APVO436** for the treatment of frontline acute myeloid leukemia (AML). Aptevo has partnered with premier CRO, Prometrika, for the upcoming study. The first part of the Phase 1b/2 study is a dose optimization trial evaluating standard of care venetoclax + azacitidine along with APVO436 as a frontline treatment for AML patients. It is planned as an open-label, multi-center, multi-cohort study. The trial will evaluate safety/tolerability and efficacy of the triplet combination at multiple dose levels. Additional information about the Company's APVO436 clinical program appears below.

"*Aptevo has had an exciting first quarter, making progress in both clinical programs. We are particularly enthusiastic about one breast cancer patient in our ALG.APV-527 trial who has remained on study with stable disease for more than eleven months, in addition, to being safely and successfully transitioned to a higher dose level within the study. This rarely happens in an early-stage trial, and we believe it underscores the potential of our bispecific solid tumor candidate,"* said Marvin White, President & CEO of Aptevo. "*Additionally, we plan to initiate our APVO436 dose optimization trial in frontline AML patients this quarter. Overall, we are excitingly seeing in the clinic that our molecules are performing as they were engineered to perform."*

2024 Q1 Summary Financial Results

Cash Position: Aptevo had cash and cash equivalents as of March 31, 2024, totaling $10.3 million. On a proforma basis, cash, and cash equivalents as of March 31, 2024, total $14.3 million, including the proceeds from the equity raise closed on April 10, 2024.

Research and Development Expenses: Research and development expenses decreased by $0.4 million, from $4.2 million for the three months ended March 31, 2023, to $3.8 million for the three months ended March 31, 2024. The decrease was primarily due to lower spending on APVO436 clinical trial as we concluded the Phase 1b study and are preparing to initiate the frontline AML dose optimization study and lower spending on preclinical projects and employee costs. The decrease was partially offset by higher spending on ALG.APV-527 Phase 1 clinical trial costs.

General and Administrative Expenses: General and administrative expenses decreased by $0.4 million, from $3.6 million for the three months ended March 31, 2023, to $3.2 million for the three months ended March 31, 2024. The decrease is primarily due to lower employee and consulting costs.

Other Income (Expense), Net:
Other Income (Expense) from Continuing Operations, Net consists of other income, net of $0.2 million and other expense, net of $0.1 million for the three months ended March 31, 2024, and 2023, respectively. The change in other income (expense), net is primarily due to the repayment of our MidCap term loan in the first quarter of 2023.

Gain Related to Sale of Non-Financial Asset consists of a $9.7 million gain recorded in Q1 2023 related to the sale of all of the deferred payments and a portion of the milestone payments from Medexus to XOMA. We did not record such income in the first quarter of 2024.

Discontinued Operations: We did not record income from discontinued operations for the three months ended March 31, 2024. For the three months ended March 31, 2023, we recorded $0.9 million of contingent gain consideration from previous discontinued operations.

Net Income (Loss): Aptevo had a net loss of $6.8 million or $9.95 per share for the three months ended March 31, 2024, compared to a net income of $2.8 million or $17.38 per share for the corresponding period in 2023.

Aptevo Therapeutics Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts, unaudited)

	March 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 10,250	$ 16,904
Prepaid expenses	1,133	1,473
Other current assets	691	689
Total current assets	12,074	19,066
Property and equipment, net	789	895
Operating lease right-of-use asset	4,766	4,881
Total assets	$ 17,629	$ 24,842
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and other accrued liabilities	$ 3,720	$ 3,984
Accrued compensation	1,610	2,098
Other current liabilities	968	1,142
Total current liabilities	6,298	7,224
Other long-term liabilities	14	—
Operating lease liability	5,214	5,397
Total liabilities	11,526	12,621
Stockholders' equity:		
Preferred stock: $0.001 par value; 15,000,000 shares authorized, zero shares issued or outstanding	—	—
Common stock: $0.001 par value; 500,000,000 shares authorized; 673,430 and 442,458 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	66	61
Additional paid-in capital	236,318	235,607
Accumulated deficit	(230,281)	(223,447)
Total stockholders' equity	6,103	12,221
Total liabilities and stockholders' equity	$ 17,629	$ 24,842

Aptevo Therapeutics Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts, unaudited)

	For the Three Months Ended March 31,	
	2024	2023
Operating expenses:		
Research and development	$ (3,752)	$ (4,168)
General and administrative	(3,231)	(3,588)
Loss from operations	(6,983)	(7,756)
Other income (expense):		
Other income (expense) from continuing operations, net	149	(67)
Gain related to sale of non-financial asset	—	9,650
Net (loss) income from continuing operations	$ (6,834)	$ 1,827
Discontinued operations:		
Income from discontinued operations	$ —	$ 946
Net (loss) income	$ (6,834)	$ 2,773
Basic and diluted net (loss) income per share from continuing operations:		
Basic	$ (9.95)	$ 11.45
Diluted	$ (9.95)	$ 11.45
Basic and diluted net (loss) income per share:		
Basic	$ (9.95)	$ 17.38
Diluted	$ (9.95)	$ 17.38
Shares used in calculation:		
Basic	686,735	159,597
Diluted	686,735	159,597

About Aptevo Therapeutics Inc.
Aptevo Therapeutics Inc. is a clinical-stage biotechnology company focused on developing novel immuno-oncology therapies for the treatment of cancer. Aptevo is seeking to improve treatment outcomes for cancer patients. For more information, please visit www.aptevotherapeutics.com.

ALG.APV-527
ALG.APV-527 is a conditional 4-1BB agonist bispecific that is designed for activation only upon simultaneous binding to 4-1BB and 5T4. It is designed to target cancer cells by activating both T cells and natural killer cells and is intended to bind to tumor-specific antigens while sparing healthy cells and maximizing immune response. This has the potential to be clinically important because 4-1BB can stimulate the immune cells (antitumor-specific T cells and NK cells) involved in tumor control, making 4-1BB a particularly compelling target for cancer immunotherapy. The compound is currently being evaluated for multiple solid tumor types in a multi-center, dose escalation trial that is more than 50% enrolled.

Additional promising preliminary data includes:

- In addition to the patient described above, a second heavily pretreated breast cancer patient who was progressing prior to enrolling in the trial has sustained long lasting stable disease and remained on study drug for seven months. Analysis demonstrated measurable level of drug in circulation (pharmacokinetic) and reproducible elevation of serum pharmacodynamic markers with dosing, suggesting the drug is biologically active
- Treatment to date has been overall well-tolerated, and a maximum tolerated dose has not yet been determined, dose-escalation in higher-dose cohorts is ongoing and the Company is dosing cohort five (of six)
- ALG.APV-527 has been measurable in all patients with plasma concentration of ALG.APV-527 consistent with the administered dose
- Biomarker analyses indicate the expression of the targets (4-1BB and 5T4) in tumor biopsies and confirm biological activity of ALG.APV-527

APVO436
Aptevo's wholly owned lead proprietary drug candidate, APVO436 is targeting AML and is differentiated by design to redirect the immune system of the patient to destroy leukemic cells and leukemic stem cells expressing the target antigen CD123, which is a compelling target for AML due to its overexpression on leukemic stem cells and AML blasts. This antibody-like recombinant protein therapeutic is designed to engage both leukemic cells and T cells of the immune system and bring them closely together to trigger the destruction of leukemic cells. APVO436 is purposefully designed to reduce the likelihood and severity of CRS by use of a unique CD3 derived from CRIS-7 vs. the CD3 used by other competitors. APVO436 has received orphan drug designation ("orphan status") for AML according to the Orphan Drug Act.
The Phase 1b dose escalation trial results showed a 91% clinical benefit rate in combination with venetoclax + azacitidine in venetoclax naïve patients, a 27% incidence of CRS across all trial cohorts (the majority were grades 1 & 2) and meaningful duration of remission, including three patients who transitioned to transplant after receiving therapy, the best possible outcome for AML patients.
The Company is planning to initiate the first part of the Phase 1b/2 dose optimization program in this quarter.

Safe Harbor Statement

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, including, without limitation, Aptevo's expectations about the activity, efficacy, safety, tolerability and durability of its therapeutic candidates and potential use of any such candidates, including in combination with other drugs, as therapeutics for treatment of disease, its expectations regarding the effectiveness of its ADAPTIR and ADAPTIR-FLEX platforms, statements related to the progress of Aptevo's clinical programs, including statements related to anticipated clinical and regulatory milestones such as Phase 1b/2 trial initiation for APVO436 in frontline, venetoclax naïve AML patients, whether further study of APVO436 in a Phase 1b dose optimization trial focusing on multiple doses of APVO436 in combination with venetoclax + azacitidine on a targeted patient population will continue to show clinical benefit, whether Aptevo's final trial results will vary from its earlier assessment, whether further study of ALG.APV-527 across a cross section of multiple tumor types will continue to show clinical benefit, whether higher dose ranges for ALG.APV-527 will result in increased signs of clinical activity, whether biomarker analyses will continue to confirm biological activity of ALG.APV-527, the possibility and timing of interim data readouts for ALG.APV-527, whether Aptevo's final trial results will vary from its preliminary or interim assessments, the possibility and timing of preliminary or interim data readouts for ALG.APV-527, statements related to the progress of and enthusiasm for Aptevo's clinical programs, statements related to Aptevo's cash position and balance sheet, statements related to Aptevo's ability to generate stockholder value, whether Aptevo will continue to have momentum in its business in the future, and any other statements containing the words "may," "continue to," "believes," "knows," "expects," "optimism," "potential," "designed," "promising," "plans," "will" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on Aptevo's current intentions, beliefs, and expectations regarding future events. Aptevo cannot guarantee that any forward-looking statement will be accurate. Investors should realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could differ materially from Aptevo's expectations. Investors are, therefore, cautioned not to place undue reliance on any forward-looking statement.

There are several important factors that could cause Aptevo's actual results to differ materially from those indicated by such forward-looking statements, including a deterioration in Aptevo's business or prospects; further assessment of preliminary or interim data or different results from later clinical trials; adverse events and unanticipated problems, adverse developments in clinical development, including unexpected safety issues observed during a clinical trial; and changes in regulatory, social, macroeconomic and political conditions. For instance, actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including the uncertainties inherent in the results of preliminary or interim data and preclinical studies being predictive of the results of later-stage clinical trials, initiation, enrollment and maintenance of patients, and the completion of clinical trials, the availability and timing of data from ongoing clinical trials, the trial design includes combination therapies that may make it difficult to accurately ascertain the benefits of APVO436, expectations for the timing and steps required in the regulatory review process, expectations for regulatory approvals, the impact of competitive products, our ability to enter into agreements with strategic partners or raise funds on acceptable terms or at all and other matters that could affect the availability or commercial potential of Aptevo's product candidates, business or economic disruptions due to catastrophes or other events, including natural disasters or public health crises such as the coronavirus (referred to as COVID-19), geopolitical risks, including the current war between Russia and Ukraine and the rising conflict in the Middle East, and macroeconomic conditions such as economic uncertainty, rising inflation and interest rates, continued market volatility and decreased consumer confidence. These risks are not exhaustive, Aptevo faces known and unknown risks. Additional risks and factors that may affect results are set forth in Aptevo's filings with the

Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and its subsequent reports on Form 10-Q and current reports on Form 8-K. The foregoing sets forth many, but not all, of the factors that could cause actual results to differ from Aptevo's expectations in any forward-looking statement. Any forward-looking statement speaks only as of the date of this press release, and, except as required by law, Aptevo does not assume any obligation to update any forward-looking statement to reflect new information, events, or circumstances.

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