UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from_____to

Commission File Number: 001-37746

APTEVO THERAPEUTICS INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**81-1567056**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. 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

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

Title of Each Class	**Trading Symbol**	**Name of Exchange on Which Registered**
Common Stock, $0.001 par value per share	**APVO**	**The Nasdaq Stock Market LLC (The Nasdaq Capital Market)**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		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). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 14, 2026, the number of shares of the registrant's common stock outstanding was 1,801,970.

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In this Quarterly Report on Form 10-Q, "we," "our," "us," "Aptevo," and "the Company" refer to Aptevo Therapeutics Inc. and, where appropriate, its consolidated subsidiaries.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

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

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,797	$ 21,619
Prepaid expenses and other current assets	1,001	1,462
Total current assets	10,798	23,081
Property and equipment, net	236	303
Operating lease right-of-use asset	3,484	3,810
Total assets	$ 14,519	$ 27,194
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,162	$ 877
Accrued expenses and other current liabilities	3,107	4,307
Operating lease liability, current portion	919	866
Total current liabilities	5,188	6,050
Operating lease liability, net of current portion	3,290	3,763
Total liabilities	8,478	9,813
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; 1,418,952 and 997,830 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	114	114
Additional paid-in capital	294,191	292,382
Accumulated deficit	(288,264)	(275,115)
Total stockholders' equity	6,041	17,381
Total liabilities and stockholders' equity	$ 14,519	$ 27,194

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Operating expenses:				
Research and development	$ (3,696)	$ (3,328)	$ (7,620)	$ (6,961)
General and administrative	(2,747)	(2,898)	(5,660)	(5,745)
Loss from operations	(6,443)	(6,226)	(13,280)	(12,706)
Other income:				
Other income, net	87	22	227	94
Net loss	$ (6,356)	$ (6,204)	$ (13,053)	$ (12,612)
Dividend attributable to down round feature of warrants	—	—	(97)	—
Net loss attributable to common stockholders	$ (6,356)	$ (6,204)	$ (13,150)	$ (12,612)
Basic and diluted net loss per share:	$ (5.31)	$ (151.29)	$ (11.19)	$ (555.08)
Shares used in calculation:	1,196,364	41,008	1,175,450	22,721

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Aptevo Therapeutics Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	For the Six Months Ended June 30,	
	2026	2025
Operating Activities		
Net loss	$ (13,053)	$ (12,612)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	115	17
Non-cash lease expense	541	546
Depreciation and amortization	67	110
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	460	274
Accounts payable	285	(658)
Accrued expenses and other current liabilities	(1,146)	(657)
Operating lease liability	(688)	(688)
Net cash used in operating activities	(13,419)	(13,668)
Investing Activities		
Net cash from investing activities	—	—
Financing Activities		
Proceeds from issuance of common stock and pre-funded warrants exercise, net of issuance costs	1,598	14,364
Payments in lieu of fractional shares	(1)	—
Net cash provided by financing activities	1,597	14,364
Increase (decrease) in cash and cash equivalents	(11,822)	696
Cash and cash equivalents at beginning of period	21,619	8,714
Cash and cash equivalents at end of period	$ 9,797	$ 9,410
Supplemental Cash Flow Information		
Dividend attributable to down round feature of warrants	$ 97	$ —
Warrant modification - incremental value	—	586

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Aptevo Therapeutics Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
(in thousands, except share amounts, unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount			
Balance at December 31, 2025	997,830	$ 114	$ 292,382	$ (275,115)	$ 17,381
Issuance of common stock	205,923	—	872	—	872
Stock-based compensation	—	—	57	—	57
Payment in lieu of fractional shares[(1)]	—	—	(1)	—	(1)
Dividend attributable to down round feature of warrants	—	—	97	(97)	—
Net loss for the period	—	—	—	(6,697)	(6,697)
Balance at March 31, 2026	1,203,753	$ 114	$ 293,407	$ (281,909)	$ 11,612
Common stock issued upon vesting of restricted stock units					
Issuances of common stock	215,199	—	726	—	726
Stock-based compensation	—	—	58	—	58
Net loss for the period	—	—	—	(6,356)	(6,356)
Balance at June 30, 2026	1,418,952	$ 114	$ 294,191	$ (288,264)	$ 6,041

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount			
Balance at December 31, 2024	4,051	$ 84	$ 252,248	$ (247,577)	$ 4,755
Stock-based compensation	—	—	180	—	180
Net loss for the period	—	—	—	(6,408)	(6,408)
Balance at March 31, 2025	4,051	$ 84	$ 252,428	$ (253,985)	$ (1,473)
Common stock issued upon vesting of restricted stock units	—	—	—	—	—
Issuances of common stock[(2)]	175,070	15	14,349	—	14,364
Payment in lieu of fractional shares in connection with the 1-for-20 reverse stock split effected on May 23, 2025	(1)	—	—	—	—
Stock-based compensation	—	—	(163)	—	(163)
Net loss for the period	—	—	—	(6,204)	(6,204)
Balance at June 30, 2025	179,120	99	266,614	(260,189)	6,524

(1) Payment was made in lieu of fractional shares in connection with the reverse stock splits that occurred in December 2025.

(2) Net of $0.6 million warrant modification incremental fair value. Includes shares issued in connection with exercise of pre-funded warrants.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Note 1. Nature of Business and Significant Accounting Policies

Organization and Liquidity

Aptevo Therapeutics Inc. (Aptevo, we, us, or the Company) is a clinical-stage biotechnology company developing novel multispecific immunotherapies for the treatment of cancer. The Company's lead clinical candidate, mipletamig, is currently being evaluated in frontline acute myeloid leukemia in combination with standard-of-care venetoclax + azacitidine. Aptevo's pipeline is generated from its proprietary ADAPTIR™ and ADAPTIR-FLEX™ platforms and includes bispecific and trispecific candidates designed to create multiple oncology value drivers across hematologic malignancies and solid tumors. In preclinical development, Aptevo is advancing APVO451, a nectin-4-targeted trispecific immunotherapy candidate for solid tumors and is pursuing strategic opportunities in radiopharmaceutical therapeutics to extend its tumor-targeting expertise into additional cancer treatment approaches. For more information, visit www.aptevotherapeutics.com.

We are currently trading on the Nasdaq Capital Market under the symbol "APVO."

The accompanying financial statements have been prepared on a basis that assumes we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities and commitments in the normal course of business. The consolidated financial statements do not include any adjustments that might result from the outcome of the uncertainty of our ability to continue as a going concern, nor do they include adjustments to reflect the possible future effects of the recoverability and classification of recorded asset amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern. For the six months ended June 30, 2026, we had a net loss of $13.1 million. We had an accumulated deficit of $288.3 million as of June 30, 2026. For the six months ended June 30, 2026, net cash used in our operating activities was $13.4 million. We have suffered recurring losses from operations and negative cash flows from operating activities. In the second quarter of 2026, we raised approximately $0.6 million in aggregate net proceeds through the issuance of common stock under the Standby Equity Purchase Agreement with YA II PN, LTD., a Cayman Islands exempt limited company ("Yorkville"), dated June 16, 2025 (the "First SEPA") and the Standby Equity Purchase Agreement with Yorkville, dated January 8, 2026 (the "Second SEPA" and collectively with the First SEPA, the "SEPAs"). We also received $0.5 million of gross proceeds from a strategic equity investment by Niowave. In addition, we raised $0.6 million during the subsequent events period under the SEPAs. We also entered into a private placement financing and related warrant inducement transaction involving the issuance of common stock, pre-funded warrants and common warrants, resulting in aggregate gross proceeds of $4.5 million before deducting placement agent fees and other offering expenses. When considered in aggregate, these factors raise substantial doubt about our ability to continue as a going concern for the one-year period from the date of issuance of these financial statements. We will need to raise additional funds to support our operating and capital needs in addition to our existing cash resources, cash to be generated from future milestones related to IXINITY sales and regulatory approvals achieved by Medexus Pharmaceuticals ("Medexus"), sales of common stock under the SEPAs, and exercise of common warrants. We may choose to raise additional funds to support our operating and capital needs in the future.

We continue to face significant challenges and uncertainties and, as a result, our available capital resources may be consumed more rapidly than currently expected due to: (a) changes we may make to the business that affect ongoing operating expenses; (b) changes we may make in our business strategy; (c) changes we may make in our research and development spending plans; (d) macroeconomic conditions such as rising inflation, potential trade war, and other costs as well as political events such as a U.S. federal government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions; and (e) other items affecting our forecasted level of expenditures and use of cash resources; (f) whether and to what extent potential milestones are received from Medexus with respect to IXINITY. We may attempt to obtain other public or private financing, collaborative or licensing arrangements with strategic partners, or through credit lines or other debt financing sources to increase the funds available to fund operations. However, we may not be able to secure such funding in a timely manner or on favorable terms, if at all. Furthermore, if we issue equity or debt securities to raise additional funds, our existing stockholders may experience dilution, and the new equity or debt securities may have rights, preferences, and privileges senior to those of our existing stockholders. If we raise additional funds through collaboration, licensing, or other similar arrangements, it may be necessary to relinquish valuable rights to our potential products or proprietary technologies, or grant licenses on terms that are not favorable to us. Without additional funds, we may be forced to delay, scale back, or eliminate some of our research and development activities or other operations and potentially delay product development in an effort to provide sufficient funds to continue our operations. If any of these events occur, our ability to achieve our development goals may be adversely affected. Given the continuing global economic and geopolitical climate, including stock market volatility and potential trade war, we may experience delays or difficulties in the financing environment and raising capital due to economic uncertainty.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). These unaudited condensed consolidated financial statements include all adjustments, which include normal recurring adjustments, necessary for the fair presentation of the Company's financial position. These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements as of and for the year ended December 31, 2025, and the notes thereto, which are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and changes in these estimates are recorded when known.

The unaudited condensed consolidated financial statements include the accounts of the Company and our wholly owned subsidiary, Aptevo Research and Development LLC ("Aptevo R&D"). All intercompany balances and transactions have been eliminated. For all periods presented in the financial statements and accompanying footnotes, share and per share amounts have been retroactively adjusted to reflect the reverse stock splits (as discussed below).

Reclassification

Certain amounts in the accompanying consolidated financial statements were reclassified to conform to the current period presentation. There has been no impact on previously reported net loss or stockholders' equity from such reclassification.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the unaudited condensed financial statements and accompanying notes. Estimates are used for, but not limited to, clinical accruals, useful lives of equipment, commitments and contingencies, stock-based compensation, fair value of common warrants, and incremental borrowing rate (IBR) used for our lease. Given the global economic and geopolitical climate, these estimates are becoming more challenging, and actual results could differ materially from those estimates.

Significant Accounting Policies

Our significant accounting policies were reported in our Annual Report on Form 10-K for the year ended December 31, 2025 that was filed with the Securities and Exchange Commission (the "SEC") on March 26, 2026. Our other significant accounting policies have not changed materially from the policies previously reported.

Recently Adopted Accounting Pronouncements

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*, which establishes guidance on the recognition, measurement, presentation, and disclosure of government grants received by business entities. The guidance, which leverages principles from International Accounting Standard 20, *Accounting for Government Grants and Disclosure of Government Assistance* ("IAS 20"), and amends ASC 832, is effective for annual periods beginning after December 15, 2028, including interim periods within those annual periods. Early adoption is permitted. The Company early adopted ASU 2025-10 prospectively on April 1, 2026, as a result of the grant award agreement with the Andy Hill Cancer Research Endowment (CARE) Fund, and the adoption did not have a material impact on the Company's financial statements.

Accounting Pronouncements Pending Adoption

In November 2024, the Financial Accounting Standards Board issued ASU 2024-03, *Disaggregation of Income Statement Expenses (DISE)*. The purpose of ASU 2024-03 is to enhance expense disclosures by requiring additional disaggregated information about specified categories of expenses included in certain expense captions presented on the face of the income statement. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. The amendments may be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the impact this ASU will have on its financial statements.

Note 2. Collaboration Agreements

Niowave, Inc.

On May 25, 2026, our wholly owned subsidiary, Aptevo Research and Development LLC ("Aptevo R&D" or the "Company"), entered into a Collaboration Agreement ("Niowave Collaboration Agreement") with Niowave, Inc. ("Niowave") to develop

radiopharmaceutical product candidates combining our proprietary molecules with Niowave's radioisotopes. Under the collaboration, we also entered into a Supply Agreement ("Supply Agreement") under which Niowave will supply proprietary radioisotopes.

In connection with the execution of the Niowave Collaboration Agreement and the Supply Agreement, we entered into a stock purchase agreement (the "Stock Purchase Agreement") pursuant to which Niowave purchased 98,522 shares of our common stock and accompanying warrants to purchase 53,201 shares of our common stock in a private placement at a combined purchase price of $5.075 per share for aggregate gross proceeds of $500,000. Each warrant is immediately exercisable, with an exercise price of $8.00 per share of common stock and will expire on May 25, 2031. The parties also entered into an investor rights agreement (the "Investor Rights Agreement") customary lock-up, standstill, market stand-off, transfer restriction and registration rights provisions, including restrictions on transfers of the initial shares, certain acquisition or control activities, and ownership above 19.99% of the Company's outstanding common stock. In addition, Niowave has the right, but not the obligation, to purchase up to 97,373 additional shares (the "Additional Share Purchase Right") in the future at prevailing market prices, subject to specified conditions, and an aggregate beneficial ownership limitation of 19.99% of the Company's outstanding common stock.

We assessed the Collaboration Agreement in accordance with ASC 606 – *Revenue Recognition* ("ASC 606") and ASC 808 – *Collaborative Arrangements* ("ASC 808") and concluded that the arrangement represents a collaborative arrangement rather than a revenue generating contract, as both parties are active participants sharing governance, risks, and rewards through a 50/50 cost and revenue sharing structure. The counterparty is not considered a customer under the arrangement. The counterparty is not considered a customer because the arrangement is collaborative in nature and does not involve the transfer of goods or services that are outputs of the Company's ordinary activities in exchange for consideration. Accordingly, the arrangement is within the scope of ASC 808, and cost sharing reimbursements are recognized as a reduction of research and development expense in the period the related costs are incurred. For the six months ended June 30, 2026, the Company did not incur any costs under the Niowave Collaboration Agreement.

We also concluded that the Niowave Collaboration Agreement and related equity instruments should be accounted for separately. The Niowave Collaboration Agreement represents a single collaborative unit of account, while the common stock, common warrants and additional share purchase right (the "Additional Share Purchase Right") represent freestanding financial instruments. The Additional Share Purchase Right is treated as a freestanding equity-classified instrument under ASC 815 – *Derivatives and Hedging* ("ASC 815") and is not subsequently remeasured.

The Company measured the common stock issued in the transaction based on quoted market prices on the issuance date. The fair value of the common warrants was determined using a Black-Scholes option pricing model, which incorporates assumptions for expected volatility, term and risk-free interest rate. The Additional Share Purchase Right was evaluated as a freestanding instrument, and its fair value at inception was determined to be nominal, as the exercise price is based on the Company's prevailing market price and does not provide an intrinsic economic benefit at issuance. Because the Additional Share Purchase Right was determined to have nominal fair value, the $500,000 in gross proceeds was allocated to the common stock and common warrants based on their relative fair values.

Alligator Bioscience AB

On July 20, 2017, we entered into a collaboration and option agreement (the "Alligator Collaboration Agreement") with Alligator Bioscience AB ("Alligator"), pursuant to which Aptevo and Alligator have been collaboratively developing ALG.APV-527, a first-in-class bispecific antibody candidate simultaneously targeting 4-1BB (CD137), a member of the TNFR superfamily of a costimulatory receptor found on activated T cells, and 5T4, a tumor antigen widely overexpressed in a number of different types of cancer.

We assessed the arrangement in accordance with ASC 606 and concluded that the contract counterparty, Alligator, is not a customer because both parties are active participants in the development activities and share in the significant risks and rewards of the arrangement, rather than exchanging goods or services for consideration. As such the arrangement is not in the scope of ASC 606 and is instead treated as a collaborative agreement under ASC 808. Both Aptevo and Alligator are active participants in the development of ALG.APV-527 and are exposed to significant risks and rewards under the Alligator Collaboration Agreement. Amounts owed to us for Alligator's share of development costs incurred by the Company are recorded as a reduction of research and development expense under ASC 730 – *Research and Development* in the period the costs are incurred. For the six months ended June 30, 2026 and 2025, we recorded approximately $0.05 million and $0.2 million, which represents our 50% cost share, in our research and development expense related to the Alligator Collaboration Agreement, respectively.

Note 3. Fair Value Measurements

The Company's estimates of fair value for financial assets and financial liabilities are based on the framework established in the fair value accounting guidance. The framework is based on the inputs used in valuation, it gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the fair value accounting guidance hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect the Company's significant market assumptions. The level in the fair value hierarchy within which the fair value measurement is reported is based on the lowest level input that is significant to the measurement in its entirety. The three levels of the hierarchy are as follows:

Level 1— Quoted prices in active markets for identical assets and liabilities;

Level 2— Inputs other than quoted prices in active markets that are either directly or indirectly observable; and

Level 3— Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

At June 30, 2026 and December 31, 2025, we had $8.2 million and $20.5 million in Level 1 money market funds, respectively. The carrying amounts of our money market funds approximate their fair value. At June 30, 2026 and December 31, 2025, we did not have any Level 2 or Level 3 assets.

Note 4. Cash and Cash Equivalents

The Company's cash equivalents are highly liquid investments with a maturity of 90 days or less at the date of purchase and include time deposits and investments in money market funds.

The following table shows our cash and cash equivalents as of June 30, 2026 and December 31, 2025:

(in thousands)	June 30, 2026	December 31, 2025
Cash	$ 1,621	$ 1,123
Cash equivalents	8,176	20,496
Total cash and cash equivalents	$ 9,797	$ 21,619

Note 5. Leases

Office Space Lease - Operating

We have an operating lease related to our office and laboratory space in Seattle, Washington with a term through April 2030 and two options to extend the lease term, each by five years. As of June 30, 2026, we are not reasonably certain to exercise the two options to extend the lease term and our lease liability is recorded through April 30, 2030.

For the three and six months ended June 30, 2026 and 2025, we recorded $0.2 million and $0.5 million related to variable lease expense, respectively.

Components of lease expense:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(in thousands)	2026	2025	2026	2025
Operating lease cost	$ 297	$ 297	$ 594	$ 594
Total lease cost	$ 297	$ 297	$ 594	$ 594

Right of use assets acquired under operating leases:

(in thousands)	As of June 30, 2026	As of December 31, 2025
Seattle office lease, including amendment	$ 3,484	$ 3,810
Total operating leases	$ 3,484	$ 3,810

Lease payments:

(in thousands)	For the Six Months Ended June 30, 2026	2025
For operating leases	$ 688	$ 688

As of June 30, 2026, the long-term and current portion of the lease liabilities was $3.3 million and $0.9 million, respectively. As of June 30, 2025, the long-term and current portion of the lease liabilities was $4.2 million and $0.8 million, respectively.

As of June 30, 2026, the weighted-average remaining lease term and weighted-average discount rate for operating leases was 3.84 years and 12.03%.

Note 6. Prepaid Expenses, Other Current Assets, Accrued Expenses, and Other Current Liabilities

Prepaid expenses and other current assets consisted of the following as of June 30, 2026 and December 31, 2025.

(in thousands)	June 30, 2026	December 31, 2025
Prepaid clinical expenses	$ 539	$ 609
Other current assets	462	853
Total prepaid expenses and other current assets	$ 1,001	$ 1,462

Accrued expenses and other current liabilities consisted of the following as of June 30, 2026 and December 31, 2025.

(in thousands)	June 30, 2026	December 31, 2025
Accrued clinical, research and development costs	$ 1,353	$ 1,154
Accrued compensation and benefits	1,185	2,421
Accrued professional service costs	122	480
Other accruals	447	252
Total accrued expenses and other current liabilities	$ 3,107	$ 4,307

Note 7. Grant Agreement

On June 29, 2026, we entered into a grant award agreement with the Andy Hill Cancer Research Endowment (CARE) Fund, a grantmaking entity of the State of Washington, to support IND-enabling studies for APVO451, the Company's novel trispecific antibody for solid tumor immunotherapy. Under the agreement, the Company is eligible to receive reimbursement of allowable costs up to approximately $1.5 million during the grant period, which extends from June 2026 through June 2028. Payments under the agreement are made on a reimbursement basis for eligible costs incurred during the grant period and are subject to the Company's continued compliance with the agreement, including progress toward agreed-upon milestones, submission of annual progress and financial reports, documentation of eligible expenditures, and satisfaction of non-state matching contribution requirements. The agreement requires the Company to demonstrate at least a one-to-one use of non-state matching contributions in relation to grant payments. Reimbursement requests are subject to documentation requirements and review by the grantor or its administrator.

We assessed the grant award agreement in accordance with ASC 832 – *Government Assistance* ("ASC 832") and ASC 606 and determined that the arrangement is a grant related to income, as the grantor is not a customer and the grant arrangement does not involve the transfer of goods or services that are outputs of the Company's ordinary activities in exchange for consideration. The Company recognizes reimbursable amounts when the applicable grant conditions have been satisfied and receipt of the reimbursement is probable. Such amounts are recorded as reductions of research and development expense over the periods in which the related qualifying costs are incurred, with a corresponding receivable recorded within prepaid expenses and other current assets on the condensed consolidated balance sheet.

For the six months ended June 30, 2026, we did not incur qualifying costs under the grant award agreement and, accordingly, did not recognize any grant reimbursements as a reduction of research and development expense or record a related receivable.

Note 8. Net Loss per Share

Basic net loss per share is calculated by dividing the net loss by the weighted-average number of common shares outstanding for the period. Diluted net loss per share is computed by dividing the net loss by the weighted-average number of common share equivalents outstanding for the period using the as-if converted method. For the purpose of this calculation, warrants, stock options and restricted stock units ("RSUs") are only included in the calculation of diluted net loss per share when their effect is dilutive.

We utilize the control number concept in the computation of diluted earnings per share to determine whether potential common stock instruments are dilutive. The control number used is net loss for the period. The control number concept requires that the same number of potentially dilutive securities applied in computing diluted earnings per share be applied to all other categories of income or loss, regardless of their anti-dilutive effect on such categories. The deemed dividend as a result of the down round feature of the Company's common warrants is recorded as a distribution to stockholders rather than an expense because it does not result from the Company's operating activities. Accordingly, the deemed dividend is reflected below net loss as an adjustment to arrive at net loss attributable to common stockholders, but does not impact net loss. This adjustment increases the loss attributable to common stockholders and is included in the numerator used to calculate basic and diluted net loss per share.

The following table presents the computation of basic and diluted net loss per share (in thousands, except share and per share amounts):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	$ (6,356)	$ (6,204)	$ (13,053)	$ (12,612)
Dividend attributable to down round feature of warrants	—	—	(97)	—
Net loss attributable to common stockholders	$ (6,356)	(6,204)	(13,150)	(12,612)
Basic and diluted net loss per share:	$ (5.31)	$ (151.29)	$ (11.19)	$ (555.08)
Shares used in calculation:	1,196,364	41,008	1,175,450	22,721

The following table represents all potentially dilutive shares:

	As of June 30,	
	2026	2025
Common warrants	730,169	699,168
Unvested RSUs	6,542	4
Niowave Additional Share Purchase Right	97,373	—

We use the treasury stock method when determining dilutive shares. For the three and six months ended June 30, 2026 and 2025, the Company was in a net loss position, therefore the share number used to calculate diluted earnings per share is the same as the basic earnings per share.

Note 9. Equity

2023 and 2024 Common Warrants

As of June 30, 2026, there were 3 outstanding warrants issued in 2023 with exercise prices ranging from $136,555.20 to $363,369.60 per share and 4,645 outstanding warrants issued in 2024 with exercise prices ranging from $428.40 to $17,892 per share.

2025 Equity Offerings and Common Warrants

On April 4, 2025, we completed a registered direct offering and a concurrent private placement (the "April 4, 2025 Offering"), in which we issued 4,901 shares of common stock and accompanying common warrants to purchase up to an aggregate of 9,803 shares of common stock at an exercise price of $428.40 per share for a combined offering price of $428.40 per share and accompanying common warrants. The common warrants became immediately exercisable following the date of stockholder approval on May 14, 2025 and will expire in May 2030. We received $2.1 million in gross proceeds less total issuance costs of $0.2 million. In connection with the April 4, 2025 Offering, we also agreed to amend certain existing warrants that were previously issued on December 12, 2024 to purchase up to 4,575 shares of common stock and had an exercise price of $3,430.80 per share, and reduced the exercise price of these warrants to $428.40 per share. The Company recognized the $0.6 million modification date incremental

value of the modified warrants as compared to the original warrants as a non-cash issuance cost of the April 4, 2025 Offering. Given the common warrants were equity classified, the modified fair value of existing common warrants to purchase common stock has been accounted for in additional paid-in capital as an equity cost because the modification was done in order to raise equity in conjunction with the April 4, 2025 Offering. As of June 30, 2026 we have 9,812 common warrants outstanding in connection with the April 4, 2025 Offering.

On April 22, 2025, we completed a registered direct offering (the April 22, 2025 Offering and together with the April 4, 2025 Offering, the April 2025 Offerings), in which we issued 6,455 shares of common stock at a purchase price of $310.32 per share. We received $2.0 million in gross proceeds less total issuance costs of $0.2 million. We did not issue any common warrants in connection with the April 22, 2025 Offering.

On June 20, 2025, we completed an offering priced at-the-market (the "June 2025 Offering") with certain institutional investors, in which we received gross proceeds $8.0 million, which included 136,944 shares of common stock (or pre-funded warrants in lieu thereof, all of which have been exercised as of June 30, 2025) and accompanying common warrants to purchase up to 684,722 shares of common stock at an exercise price of $58.50 per share for a combined purchase price of $58.50 per share and accompanying common warrants. The common warrants became immediately exercisable following the date of stockholder approval on July 24, 2025 and will expire in July 2030. We received $8.0 million in gross proceeds less total issuance costs of $0.7 million. 22,223 shares were exercised in 2025 at an average price of $25.10 per share. As of June 30, 2026, there were 672,320 common warrants outstanding in connection with our 2025 Offerings with exercise prices ranging from $11.70 to $428.40 per share.

Additionally, the common warrants issued in our June 2025 Offering include a down-round feature. On January 23, 2026, in connection with the sales of common warrants and common stock, the exercise price of the common warrants issued in connection with the June 2025 Offering was lowered to $11.70 per share representing the floor price of those warrants. Upon the trigger of the down round provision of these common warrants, on January 23, 2026, the Company recorded a deemed dividend of $0.1 million which represents the fair value transferred to the warrant holders from the down round feature being triggered. The deemed dividend increased net loss attributable to common equity by $0.1 million in the condensed consolidated statement of operations for the three months ended March 31, 2026. The Company calculated the difference between the common warrants' fair value on January 23, 2026, the date the down round feature was triggered, using the current exercise price at the time of $19.01 and the new exercise price of $11.70.

The following assumptions were used to estimate the fair value of the warrants using the Black-Scholes option pricing model:

	January 23, 2026
Exercise price	$19.01-$11.70
Expected volatility	178.49%
Risk-free interest rate	3.53%
Expected average life of warrants	4.5

2026 Niowave Common Warrants

On May 26, 2026, pursuant to the Stock Purchase Agreement with Niowave, the Company issued 98,522 shares of common stock and 53,201 accompanying warrants to purchase 53,201 shares of common stock in a private placement at a combined purchase price of $5.075 per share for aggregate gross proceeds of $500,000. Each warrant is immediately exercisable, with an exercise price of $8.00 per share of common stock. Niowave also received the right, but not the obligation, to purchase up to 97,373 additional shares of common stock at prevailing market prices, subject to specified conditions and a 19.99% beneficial ownership limitation. The Additional Share Purchase Right is exercisable until the earlier of the third anniversary of the Niowave Collaboration Agreement or FDA approval of an investigational new drug application for a combination product. The warrants are exercisable from issuance through May 25, 2031, may be exercised on a cash or cashless basis in certain circumstances, and include a 9.99% beneficial ownership limitation.

The related Investor Rights Agreement includes customary lock-up, standstill, market stand-off, transfer restriction and registration rights provisions, including restrictions on transfers of the initial shares, certain acquisition or control activities, and ownership above 19.99% of the Company's outstanding common stock.

The Company allocated the proceeds from the transaction between the common stock, Additional Share Purchase Right and warrants on a relative fair value basis. Because the Additional Share Purchase Right is exercisable at the prevailing market price, the Company determined its initial fair value was nominal.

The following assumptions were used to estimate the fair value of the warrants using the Black-Scholes option pricing model:

	May 25, 2026
Exercise price	$8.00
Expected volatility	122.21%
Risk-free interest rate	3.86%
Expected average life of warrants	5 years

Aptevo uses Black-Scholes valuation model for estimating the fair value of the common warrants included in public and direct offerings. The warrants are classified as an equity instrument because they are both indexed to the Company's own stock and classified in stockholders' equity and are recorded at fair value on the date of issuance. The Company issued 53,201 shares of common warrants for the six months ended June 30, 2026.

The following is a summary of the common warrants activities for the six months ended June 30, 2026:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Term
Outstanding at December 31, 2025	676,968	$ 29.20	4.49
Issued	53,201	8.00	4.00
Exercised	—	—	—
Expired	—	—	—
Outstanding at June 30, 2026	730,169	$ 21.02	4.00
Exercisable at June 30, 2026	730,169	$ 21.02	4.00

Standby Equity Purchase Agreement

June 2025 SEPA

On June 16, 2025, we entered into a Standby Equity Purchase Agreement with Yorkville. Pursuant to the First SEPA, the Company has the right, but not the obligation, to issue and sell to Yorkville from time to time up to $25.0 million of the Company's common stock during the 36 months following the execution of the First SEPA, subject to market conditions, restrictions, and satisfaction of the conditions in the First SEPA. As consideration for Yorkville's irrevocable commitment to purchase the shares of common stock up to the commitment amount (the "First Commitment Amount"), the Company paid a structuring fee in the amount of $25,000 to Yorkville, and the Company has agreed to pay a commitment fee to Yorkville in an amount equal to 2.00% of the First Commitment Amount in five equal installments. We accounted for the structuring and the commitment fee as deferred issuance cost. As of June 30, 2026, the remaining availability under the First SEPA is $7.9 million. On July 24, 2025, we received shareholder approval for the potential issuance of 19.99% or more of the aggregate number of shares of outstanding common stock pursuant to the First SEPA.

January 2026 SEPA

On January 8, 2026, we entered into the Second SEPA, the Company has the right, but not the obligation, to issue and sell to Yorkville from time to time up to $60.0 million (the "Second Commitment Amount") of our common stock during the 36 months following the execution of the Second SEPA, subject to the restrictions and satisfaction of the conditions in the Second SEPA. The Company paid a structuring fee in the amount of $25,000 to Yorkville, and the Company has agreed to pay a commitment fee to Yorkville in an amount equal to 2.00% of the Second Commitment Amount in five equal installments. Pursuant to the Second SEPA, we will not sell shares of our common stock to Yorkville that would result in the beneficial ownership of Yorkville and its affiliates (on an aggregated basis) exceeding 9.99% of our then outstanding common stock. As of June 30, 2026, the remaining availability under the Second SEPA is $58.9 million. On February 18, 2026, we received shareholder approval for the potential issuance of 19.99% or more of the aggregate number of shares of outstanding common stock pursuant to the Second SEPA.

In addition, for the six month ended June 30, 2026, we paid $0.7 million of commitment fees to Yorkville in connection with the two SEPAs, compared to $0.1 million for the six months ended June 30, 2025.

At The Market Offering Agreement

On April 28, 2025, we entered into an At The Market Offering Agreement (the "ATM Agreement") with Roth Capital Partners, LLC, as sales agent ("Roth"), for an aggregate offering price of $50.0 million, pursuant to which we may offer and sell shares of our common stock from time to time through Roth. The compensation to Roth for the shares sold pursuant to the ATM Agreement will be an amount equal to 3.0% of the gross sales price of the shares sold under the ATM Agreement. The sale of such shares of common stock by Roth will be effected under the Company's existing shelf Registration Statement on Form S-3, which was declared effective on February 26, 2025 (the "Registration Statement"). On June 20, 2025, we filed the latest amendment to the prospectus supplement

to the Registration Statement pursuant to General Instruction I.B.6 of Form S-3 (“General Instruction I.B.6”), which updated the amount of shares that we are eligible to sell under the ATM Agreement to an aggregate of $8.0 million. We did not issue any shares under the ATM Agreement for the six months ended June 30, 2026. We issued 26,768 shares of common stock at an average price of $140.58 per share under the ATM Agreement and received $3.8 million in proceeds from the issuance of these shares for the six months ended June 30, 2025. There is currently no remaining availability under the ATM Agreement due to limitations of General Instruction I.B.6. Additional capacity is expected to become available after October 2026.

Rights Plan

On November 8, 2020, our Board of Directors (the "Board") approved and adopted a Rights Agreement (the "Rights Agreement"), dated as of November 8, 2020, by and between the Company and Broadridge Corporate Issuer Solutions, Inc., as rights agent, pursuant to which the Board declared a dividend of one preferred share purchase right (each, a "Right") for each outstanding share of the Company’s common stock held by stockholders as of the close of business on November 23, 2020. One Right also will be issued together with each Common Share issued by the Company after November 23, 2020, but before the Distribution Date (as defined below) (or the earlier redemption or expiration of the Rights) and, in certain circumstances, after the Distribution Date. When exercisable, each Right initially would represent the right to purchase from the Company one one-thousandth of a share of a newly-designated series of preferred stock, Series A Junior Participating Preferred Stock, par value $0.001 per share, of the Company. Subject to various exceptions, the Rights become exercisable in the event any person (excluding certain exempted or grandfathered persons) becomes the beneficial owner of ten percent (10%) or more of the Company’s common stock without the approval of the Board. On October 30, 2025, we entered into Amendment No. 5 to the Rights Agreement and extended the expiration of such agreement to October 29, 2026. We have evaluated the rights agreement and determined that it does not represent a derivative or a liability.

2018 Stock Incentive Plan

On July 24, 2025, at the 2025 annual meeting of stockholders, our stockholders approved the Third Amended and Restated 2018 Stock Incentive Plan (the “Third Amended 2018 SIP”), which increased the number of shares authorized for issuance under the plan by 13,888 shares of common stock. As of June 30, 2026, 7,360 shares were available for grant under the Third Amended 2018 SIP.

Stock options and RSUs under the Third Amended 2018 SIP generally vest pro rata over a one-year or three-year period. Stock options terminate ten years from the grant date, though the specific terms of each grant are determined individually. The Company’s executive officers, members of our board of directors, and certain other employees and consultants may be awarded options and/or RSUs with different vesting criteria, and awards granted to non-employee directors will vest over a one-year period. Option exercise and RSU grant prices for new awards granted by the Company equal the closing price of the Company’s common stock on the Nasdaq Capital Market on the date of grant.

Stock-Based Compensation Expense

Stock-based compensation expense includes amortization of stock options and RSUs granted to employees and non-employees and has been reported in our unaudited condensed consolidated statements of operations as $0.12 million and $0.02 million for the six months ended June 30, 2026 and 2025, respectively.

The Company accounts for stock-based compensation by measuring the cost of employee services received in exchange for all equity awards granted based on the fair value of the award as of the grant date. The Company recognizes the compensation expense over the vesting period. All assumptions used to calculate the grant date fair value of non-employee equity awards are generally consistent with the assumptions used for equity awards granted to employees. In the event the Company terminates any of its consulting agreements, the unvested equity underlying the agreements would also be forfeited.

Stock Options

As of June 30, 2026, we had $0 unrecognized compensation expense. The Company did not issue options and had no outstanding options during the three and six months ended June 30, 2026 and 2025.

Restricted Stock Units

As of June 30, 2026, we have 6,542 shares of RSUs with a weighted average fair value of $40.24 per unit outstanding and expected to vest. There was $0.05 million unrecognized stock-based compensation expense related to unvested RSUs expected to vest over the weighted-average period of 0.2 years.

The fair value of each RSU has been determined to be the closing trading price of the Company’s common stock on the date of grant as quoted on the Nasdaq Capital Market.

Note 10. Segment Information

Operating segments are identified as components of an entity about which separate discrete financial information is available for evaluation by the chief operating decision maker ("CODM"), or decision-making group, in making decisions on how to allocate

resources and assess performance. The Company's CODM, the Chief Executive Officer, views the Company's operations as one operating segment, which is discovery and development of novel oncology therapeutics. The discovery and development of novel oncology therapeutics segment develops novel immunotherapy candidates for the treatment of different forms of cancer. Our clinical and preclinical candidates were developed using two versatile and enabling platform technologies, ADAPTIR™® and ADAPTIR-FLEX™®. The Company does not have revenue in the current comparative period, incurs expenses primarily in North America and manages the business activities on a consolidated basis.

The accounting policies of the novel oncology therapeutics segment are the same as those described in the summary of significant accounting policies.

The CODM assesses performance for the novel oncology therapeutics segment and decides how to allocate resources based on net loss that also is reported on the income statement as consolidated net loss. The measure of segment assets is reported on the balance sheet as cash and cash equivalents.

The Company has not generated any product revenue in the current period and expects to continue to incur significant expenses and operating losses for the foreseeable future as we advance our product candidates through all stages of development and clinical trials.

As such, the CODM uses cash forecast models in deciding how to invest into the novel oncology therapeutics segment. Such cash forecast models are reviewed to assess the entity-wide operating results and performance. Net loss is used to monitor budget versus actual results. Monitoring budgeted versus actual results, net cash used in operating activities for the period and cash on hand are used in assessing performance of the segment.

The table below summarizes the significant expense categories regularly reviewed by the CODM for the three and six months ended June 30, 2026 and 2025.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2026	2025	2026	2025
Operating expenses				
Research and development	$ (3,696)	$ (3,328)	$ (7,620)	$ (6,961)
General and administrative	(2,747)	(2,898)	(5,660)	(5,745)
Other segment items [(a)]	87	22	227	94
Net loss [(b)]	$ (6,356)	$ (6,204)	$ (13,053)	$ (12,612)

(a) Other segment items included in segment loss includes interest income, interest expense, rental income and foreign exchange gain/loss.

(b) The Company is a single operating segment and therefore the measure of segment net loss is the same as consolidated net loss and does not require reconciliation.

For the six months ended June 30, 2026 and 2025, the net cash used in operating activities was $13.4 million and $13.7 million, respectively. The table below summarizes the significant asset categories regularly reviewed by the CODM as of June 30, 2026 and 2025.

	As of June 30,	
	2026	2025
Assets		
Cash and cash equivalents	$ 9,797	$ 9,410

Note 11. Subsequent Events

We sold 0.1 million shares of our common stock under the Second SEPA at an average price of $4.31 per share and raised $0.6 million in net proceeds during the subsequent events period.

On August 12, 2026, we entered into Warrant Inducement and Reload Letters with certain holders of our common stock purchase warrants, issued on June 20, 2025, on April 3, 2025 and on December 12, 2024 (collectively, the “Existing Warrants”), pursuant to which the Holders agreed to exercise in full for cash the Existing Warrants to purchase an aggregate of 254,922 shares of common stock at a reduced exercise price of $4.03 per share.

In consideration of the Holders’ agreement to exercise the Existing Warrants, we issued new unregistered common stock purchase warrants (the “Inducement Warrants”) to purchase an aggregate of 1,274,610 shares of common stock, at an exercise price of $4.03 per share. The Inducement Warrants will be exercisable on or after the date on which we obtain the required stockholder approval and will expire on the five year anniversary of the date of such stockholder approval.

In addition, on August 12, 2026, we entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with the Holders, pursuant to which we agreed to sell to the Holders in a private placement 861,708 unregistered shares of Common Stock at a purchase price of $4.03 per share (or, at a purchaser's election to comply with a 4.99% or 9.99% beneficial ownership limitation, pre-funded common stock purchase warrants (the "Pre-Funded Warrants") to purchase up to 861,708 shares in lieu of such shares), together with common stock purchase warrants (the "Common Warrants" and together with the Pre-Funded Warrants, the "PIPE Warrants") to purchase up to 4,308,540 shares of common stock at an exercise price of $4.03 per share. The Pre-Funded Warrants will be immediately exercisable and will expire upon exercise in full, and the Common Warrants will be exercisable on or after the date on which the Company obtains the required stockholder approval and will expire on the five year anniversary of the date of such stockholder approval.

In connection with the issuance of the Inducement Warrants, the Shares and the PIPE Warrants, we entered into a Registration Rights Agreement (the "Registration Rights Agreement") with the Holders, dated August 12, 2026. Pursuant to the Registration Rights Agreement, we will file a registration statement on Form S-1 (or on Form S-3, if the Company is then S-3 eligible) to register the resale of the Shares and the shares (the "Warrant Shares") underlying the Inducement Warrants and the PIPE Warrants (the "Resale Registration Statement") as soon as reasonably practicable (and in any event by August 22, 2026), and to use commercially reasonable efforts to cause such Resale Registration Statement to become effective by September 26, 2026 (or by October 26, 2026 in case of "full review" of such registration statement by the Securities and Exchange Commission (the "SEC")) and to keep the Resale Registration Statement effective at all times until no holder owns any Warrants or Warrant Shares.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

This Quarterly Report on Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements in this Quarterly Report on Form 10-Q other than statements of historical facts, including statements regarding our strategy, future operations, future financial position, future revenues, the achievement of milestones and receipt of future payments, projected costs, prospects, plans, intentions, expectations, clinical trial results, compliance with listing requirements, future macroeconomic conditions and objectives could be forward-looking statements. The words "anticipates," "believes," "could," "designed," "estimates," "expects," "goal," "intends," "may," "plans," "projects," "should," "will," "would" and similar expressions (including the negatives thereof) are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

We have based these forward-looking statements largely on our current assumptions, expectations, projections, intentions, objectives and/or beliefs about future events or occurrences and these forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, but not limited to, those described in Part II, Item 1A, "Risk Factors" in this Quarterly Report on Form 10-Q and our other filings with the Securities and Exchange Commission. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. The timing of certain events and circumstances and known and unknown risks and uncertainties could cause actual results to differ materially from those anticipated or implied in the forward-looking statements that we make. Therefore, you should not place undue reliance on our forward-looking statements. Our forward-looking statements in this Quarterly Report on Form 10-Q are based on current information and we do not assume any obligation to update any forward-looking statements except as required by the federal securities laws.

You should read the following Management's Discussion and Analysis of Financial Condition and Results of Operations (this "MD&A") together with the unaudited condensed consolidated financial statements and the related notes thereto included in this Quarterly Report on Form 10-Q. This MD&A contains forward-looking statements that are subject to risks and uncertainties, such as those set forth in the sections of this Quarterly Report on Form 10-Q, "Risk Factors" and elsewhere. As a result, our actual results may differ materially from those anticipated in these forward-looking statements.

Overview

We are a clinical-stage, research and development biotechnology company focused on developing novel immunotherapy candidates for the treatment of different forms of cancer. We have developed two versatile and enabling platform technologies for rational design of precision immune modulatory drugs and have two clinical candidates and six preclinical candidates currently in development. Clinical candidate mipletamig is a CD123xCD3 T cell engager currently being clinically evaluated in the RAINIER trial, part one of a Phase 1b/2 program initiated in August 2024 for the treatment of frontline acute myelogenous leukemia (AML) in combination with standard of care venetoclax + azacitidine. Clinical candidate ALG.APV-527 targets 4-1BB (co-stimulatory receptor) and 5T4 (tumor antigen). The compound is designed to reactivate antigen-primed T cells to specifically kill tumor cells and is currently being evaluated for the treatment of multiple solid tumor types.

Along with our clinical candidates, the preclinical candidates, APVO603 and APVO711, were also developed using our ADAPTIR® protein technology platform. Our preclinical candidates APVO442, APVO455, APVO451 and APVO452 were developed using our ADAPTIR-FLEX® protein technology platform. We wholly own both platforms which enable us to efficiently design and create new molecules, supporting our pipeline growth. Based on the safety and tolerability results from mipletamig, which utilizes a unique CRIS-7 binding domain, the Company has built out its CD3 engaging portfolio to five molecules with a low cytokine release profile.

Our ADAPTIR and ADAPTIR-FLEX platforms are designed to generate monospecific and multi-specific antibody candidates capable of enhancing the human immune system against cancer cells. Both are modular platforms, which give us the flexibility to potentially generate immunotherapeutic candidates with a variety of mechanisms of action. This flexibility in design allows us to generate novel therapeutic candidates that may provide effective strategies against difficult to treat, as well as advanced forms of cancer. We have successfully designed and constructed numerous clinical-stage product candidates based on our ADAPTIR platform, which is designed to generate monospecific and bispecific immunotherapeutic proteins that specifically bind to one or more targets. This allows for the development of therapeutic molecules which may have structural and functional advantages over monoclonal antibodies. We have also developed a preclinical candidate based on the ADAPTIR-FLEX platform which is advancing in our pipeline. The structural differences of ADAPTIR and ADAPTIR FLEX molecules over monoclonal antibodies allow for the development of immunotherapies that are designed to engage immune effector cells and disease targets to produce signaling responses that modulate the immune system to kill tumor cells. We believe we are skilled at candidate generation, validation, and subsequent preclinical and clinical development.

Recent Developments

- Continued to advance the Phase 1b/2 RAINIER trial evaluating mipletamig in combination with venetoclax and azacitidine in frontline AML, with ongoing dose optimization activities supporting selection of a recommended Phase 2 dose.
- Appointed Mary J. Janatpour, Ph.D., as Senior Vice President and Chief Scientific Officer to lead research and preclinical development and support advancement of the Company's oncology pipeline.
- Received a $1.5 million research grant from the Andy Hill Cancer Research Endowment (CARE) Fund to support IND-enabling activities for APVO451, the Company's nectin-4-targeted trispecific immunotherapy candidate for solid tumors.
- Entered into a 50/50 collaboration with Niowave to develop up to three radiopharmaceutical oncology programs; in connection with the collaboration, Niowave made an equity investment in the Company at closing.

Comparison of the three and six months ended June 30, 2026 and 2025

Research and Development Expenses

We expense research and development costs as incurred. These expenses relate primarily to conducting non-clinical studies and clinical trials, fees to professional service providers for analytical testing, consulting costs, independent monitoring or other administration of our clinical trials and obtaining and evaluating data from our clinical trials and non-clinical studies, as well as costs of contract manufacturing services for clinical trial material, and costs of materials used in clinical trials and research and development. Our research and development expenses include:

- employee salaries and related expenses, including stock-based compensation and benefits for our employees involved in our drug discovery and development activities;
- consulting costs related to our clinical and preclinical programs;
- external research and development expense incurred under agreements with third-party contract research organizations ("CROs") and investigative sites;
- 50% shared costs incurred under the collaboration agreements with Alligator and Niowave;
- manufacturing material expense for third-party manufacturing; and
- overhead costs such as rent, utilities and depreciation.

We expect our research and development spending will be dependent upon such factors as the results from our clinical trials, the availability of reimbursement of research and development spending, the number of product candidates under development, the size, structure and duration of any clinical programs that we may initiate, and the costs associated with manufacturing our product candidates on a large-scale basis for later stage clinical trials. We may experience interruption of key clinical trial activities, such as site initiation, patient enrollment and clinical trial site monitoring, and key non-clinical activities. While a number of our programs are still in the preclinical trial phase, we do not provide a breakdown of the initial associated expenses as we are often evaluating multiple product candidates simultaneously. Costs are reported in preclinical research and discovery until the program enters the clinic.

Our research and development expenses by program for the three and six months ended June 30, 2026 and 2025 are shown in the following table:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(in thousands)	2026	2025	2026	2025
Clinical programs:				
Mipletamig	$ 2,015	$ 1,542	$ 3,947	$ 3,164
ALG.APV-527	48	121	75	299
Total clinical programs	$ 2,063	$ 1,663	$ 4,022	$ 3,463
Preclinical program, general research and discovery	$ 1,633	$ 1,665	$ 3,598	$ 3,498
Total	$ 3,696	$ 3,328	$ 7,620	$ 6,961

Research and development expenses increased by $0.4 million from $3.3 million for the three months ended June 30, 2025 to $3.7 million for the three months ended June 30, 2026. Research and development expenses increased by $0.6 million, from $7.0

million for the six months ended June 30, 2025 to $7.6 million for the six months ended June 30, 2026. The increase was primarily due to higher mipletamig clinical study costs, preclinical projects testing costs, and consulting fees, offset by lower costs on ALG.APV-527.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related costs and professional fees in support of our executive, business development, finance, accounting, information technology, legal and human resource functions. Other costs include facility costs not otherwise included in research and development expenses.

General and administrative expenses decreased by $0.2 million from $2.9 million for the three months ended June 30, 2025 to $2.7 million for the three months ended June 30, 2026. General and administrative expenses were $5.7 million for the six months ended June 30, 2026 and 2025. The decrease was primarily due to lower employee costs.

Other Income, Net

Other income, net consists primarily of interest income from our cash equivalents and short term rental income. Other income, net was $0.1 million for the three months ended June 30, 2026 and $0.02 million for the three months ended June 30, 2025. Other income, net was $0.2 million for the six months ended June 30, 2026 and $0.1 million the six months ended June 30, 2025. The increase was primarily due to higher interest income from our money market accounts.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of our unaudited condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and on various other factors. Although we believe that our judgments and estimates are appropriate, actual results may differ materially from our estimates and changes in these estimates are recorded when known. An accounting policy is considered critical if it is important to a company's financial condition and results of operations and if it requires the exercise of significant judgment and the use of estimates on the part of management in its application.

Refer to Note 1 for discussion of our accounting policies, significant judgments, and estimates.

Liquidity and Capital Resources

Cash Flows

The following table provides information regarding our cash flows for the six months ended June 30, 2026 and 2025:

	For the Six Months Ended June 30,	
(in thousands)	2026	2025
Net cash provided by (used in):		
Operating activities	$ (13,419)	$ (13,668)
Investing activities	—	—
Financing activities	1,597	14,364
Net increase (decrease) in cash and cash equivalents	$ (11,822)	$ 696

Net cash used in operating activities of $13.4 million for the six months ended June 30, 2026 was primarily due to our net loss of $13.1 million for the period and changes in working capital accounts. Net cash used in operating activities of $13.7 million for the six months ended June 30, 2025 was primarily due to our net loss of $12.6 million for the period and changes in working capital accounts.

Net cash provided by financing activities of $1.6 million for the six months ended June 30, 2026 was primarily due to the issuance of common stock pursuant to the SEPAs and the Stock Purchase Agreement with Niowave. Net cash provided by financing activities of $14.4 million for the six months ended June 30, 2025 was primarily due to issuance of common stock.

Sources of Liquidity

Standby Equity Purchase Agreement

On June 16, 2025, we entered into the First SEPA with Yorkville. Pursuant to the First SEPA, the Company has the right, but not the obligation, to issue and sell to Yorkville from time to time up to $25.0 million of the Company's common stock during the 36 months following the execution of the First SEPA, subject to the restrictions and satisfaction of the conditions in the First SEPA. As consideration for Yorkville's irrevocable commitment to purchase the shares of common stock up to the First Commitment Amount, the Company paid a structuring fee in the amount of $25,000 to Yorkville, and the Company has agreed to pay a commitment

fee to Yorkville in an amount equal to 2.00% of the First Commitment Amount in five equal installments. Pursuant to the First SEPA, we will not sell shares of our common stock to Yorkville that would result in the beneficial ownership of Yorkville and its affiliates (on an aggregated basis) exceeding 9.99% of our then outstanding common stock. For the six months ended June 30, 2026, the Company issued 0.11 million shares of common stock to Yorkville under the First SEPA for aggregate net proceeds of $0.7 million. As of June 30, 2026, the remaining availability under the First SEPA was $7.9 million. Such availability remains subject to certain restrictions and the satisfaction of specified conditions under the First SEPA, including a 9.99% beneficial ownership limitation. We filed a Registration Statement on Form S-1 for 6.9 million shares under the First SEPA on October 1, 2025. A subsequent Form S-1 may be needed to access additional shares under the First SEPA.

On January 8, 2026, we entered into the Second SEPA with Yorkville, pursuant to which the Company has the right, but not the obligation, to issue and sell to Yorkville from time to time up to $60.0 million of our common stock during the 36 months following the execution of the Second SEPA, subject to the restrictions and satisfaction of the conditions in the Second SEPA. The Company paid a structuring fee in the amount of $25,000 to Yorkville, and the Company has agreed to pay a commitment fee to Yorkville in an amount equal to 2.00% of the Second Commitment Amount in five equal installments. The Company has the option to pay the fourth and fifth installments in either cash or shares of common stock. Pursuant to the Second SEPA, we will not sell shares of our common stock to Yorkville that would result in the beneficial ownership of Yorkville and its affiliates (on an aggregated basis) exceeding 9.99% of our then outstanding common stock. For the six months ended June 30, 2026, the Company issued 0.2 million shares of common stock to Yorkville under the Second SEPA for aggregate net proceeds of $1.1 million. As of June 30, 2026, the remaining availability under the Second SEPA was $58.9 million. Such availability remains subject to certain restrictions and the satisfaction of specified conditions under the Second SEPA, including a 9.99% beneficial ownership limitation. We filed a Registration Statement on Form S-1 for 7.1 million shares under the Second SEPA agreement on January 28, 2026, which represents approximately $24.8 million based on the closing price as of August 12, 2026.

In addition, for the six months ended June 30, 2026, we paid $0.7 million of commitment fees to Yorkville in connection with the two SEPAs, compared to $0.1 million for the six months ended June 30, 2025.

On August 12, 2026, we entered into the Securities Purchase Agreement and Warrant Inducement Letters that included a standstill on our use of the First and Second SEPA to raise additional capital from the date of such agreements until 12 months after the date on which we obtain stockholder approval for the issuance of the Inducement Warrants and the PIPE Warrants (the "Stockholder Approval Date"). As such we will not have access to the First and Second SEPA for capital raising purposes until 12 months following the date on which stockholder approval is obtained.

At The Market Offering Agreement

On April 28, 2025, we entered the ATM Agreement with Roth, pursuant to which we may offer and sell up to $50 million of its common stock from time to time through Roth. The compensation to Roth for the shares sold pursuant to the ATM Agreement will be an amount equal to 3.0% of the gross sales price of the shares sold under the ATM Agreement. The sale of such shares of common stock by Roth will be effected under the Company's existing shelf Registration Statement on Form S-3, which was declared effective on February 26, 2025. We did not sell any shares under the ATM Agreement during the three months ended June 30, 2026. There is currently no remaining availability under the ATM Agreement due to the limitations of General Instruction I.B.6. Additional capacity is expected to become available after October 2026.

On August 12, 2026, we entered into the Securities Purchase Agreement and Warrant Inducement Letters that included a standstill on our use of the ATM Agreement to raise additional funds from the date of such agreements until 12 months after the Stockholder Approval Date. As such we may not have access to the ATM Agreement for capital raising purposes when capacity becomes available after October 2026.

Registration Statement

On February 14, 2025, we filed a Registration Statement on Form S-3 covering the offering, issuance, and sale up to $100 million in common stock, preferred stock, and various series of debt securities and/or warrants to purchase any of such securities, which included the unsold securities from the prior registration statement. On June 20, 2025, we filed the latest amendment to the prospectus supplement to the Registration Statement on Form S-3 filed on February 14, 2025 pursuant to General Instruction I.B.6 of Form S-3, which updates the amount of shares that we are eligible to sell under the ATM Agreement to $8.0 million. So long as the aggregate market value of our common stock held by non-affiliates is less than $75 million, we will not sell shares under the ATM Agreement with a value of more than one-third of the aggregate market value of our common stock held by non-affiliates in any 12-month period due to the limitations of General Instruction I.B.6 of Form S-3 and the current public float of our common stock. If our public float increases such that we may sell additional amounts under the ATM Agreement and the prospectus, we will file another amendment to the prospectus supplement prior to making additional sales. The limitations of General Instruction I.B.6 do not apply to sales of our shares under the SEPAs with Yorkville as the sales of such shares were registered under a separate registration statement on Form S-1. In May 2026, the SEC proposed amendments to the registered offering framework that, if adopted, would expand eligibility to use Form S-3 and eliminate the limitations currently applicable to smaller issuers under General Instruction I.B.6.

Common Warrants

As of August 13, 2026, we have an aggregate of 6,058,397 common warrants outstanding with exercise prices ranging from $4.03 to $363,369.60 per share. For additional information on our currently outstanding warrants, see the table below.

	Warrants Outstanding	Exercise Price	Proceeds if Exercised (in thousands)
2023 Common Warrants	3	$136,555.20 - 363,369.60	$ 636
2024 Common Warrants	1,345	428.40 - 17,982.00	919
2025 April Common Warrants	6,422	428.40	2,751
2025 June Common Warrants	414,276	11.70	4,847
2026 Niowave Common Warrants	53,201	8.00	426
2026 August Common Warrants Inducement[(1)]	1,274,610	4.03	5,137
2026 August Common Warrants[(1)]	4,308,540	4.03	17,363

(1) The 2026 August common warrants and inducement warrants are exercisable upon the receipt of stockholder approval.

IXINITY Milestone Payments

On February 28, 2020, Aptevo entered into the LLC Purchase Agreement with Medexus, pursuant to which we sold all of the issued and outstanding limited liability company interests of Aptevo BioTherapeutics LLC, a wholly owned subsidiary of Aptevo. On March 29, 2023, we entered into and closed a Purchase Agreement with XOMA pursuant to which we sold to XOMA our right, title, and interest to all future deferred payments from Medexus and a portion of potential milestones. As consideration, we received $9.6 million at closing from XOMA and an additional $0.05 million post-closing payment. Aptevo continues to be eligible to receive up to $5.8 million in milestone payments from Medexus upon achievement of certain regulatory and IXINITY net sales threshold. These milestone payment opportunities must be achieved by February 2035, after which any unachieved milestones will expire.

Niowave, Inc.

On May 25, 2026, Aptevo entered into the Niowave Collaboration Agreement to develop radiopharmaceutical product candidates combining our proprietary molecules with Niowave's radioisotopes. Additionally, we entered into a Stock Purchase Agreement pursuant to which Niowave purchased 98,522 shares of our common stock and 53,201 common warrants for aggregate gross proceeds of $500,000. The Stock Purchase Agreement also provides Niowave the right, but not the obligation, to purchase up to 97,373 additional shares of our common stock in the future at prevailing market prices, subject to specified conditions and an aggregate beneficial ownership limitation of 19.99% of our outstanding common stock. Any future issuance of shares under this right would depend on Niowave's election to purchase such shares and the satisfaction of the applicable conditions under the agreement.

Grant Agreement

On June 29, 2026, Aptevo entered into a grant award agreement with the Andy Hill Cancer Research Endowment (CARE) Fund, a grantmaking entity of the State of Washington, to support IND-enabling studies for APVO451, the Company's novel trispecific antibody for solid tumor immunotherapy. Under the agreement, the Company is eligible to receive reimbursement of allowable costs up to approximately $1.5 million during the grant period, which extends from June 2026 through June 2028. Payments under the agreement are made on a reimbursement basis for eligible costs incurred during the grant period and are subject to the Company's continued compliance with the agreement, including progress toward agreed-upon milestones, submission of annual progress and financial reports, documentation of eligible expenditures, and satisfaction of non-state matching contribution requirements. The agreement requires the Company to demonstrate at least a one-to-one use of non-state matching contributions in relation to grant payments. Reimbursement requests are subject to documentation requirements and review by the grantor or its administrator.

Liquidity

We have financed our operations to date primarily through royalty and purchase agreements with various partners, sale of business products and segments, public offerings of our common stock, loan proceeds, milestone payments, research and development funding from strategic partners, revenue generated from our previously owned commercial products, and funds received at the date of our spin-off from Emergent. We had cash and cash equivalents of $ 9.8 million and an accumulated deficit of $288.3 million as of June 30, 2026.

For the six months ended June 30, 2026, net cash used in our operating activities was $13.4 million.

Our future success is dependent on our ability to fund and develop our product candidates. We anticipate that we will continue to incur significant operating losses for the next several years as we incur expenses to continue to execute on our development strategy to advance our preclinical and clinical stage assets. We will not generate revenues from our development stage product candidates unless and/or until we or our collaborators successfully complete development and obtain regulatory approval for such product

candidates, which we expect will take a number of years and is subject to significant uncertainty. If we obtain regulatory approval for one of our development stage product candidates, we expect to incur significant commercialization expenses related to sales, marketing, manufacturing and distribution, to the extent that such costs are not paid by collaborators. We do not have sufficient cash to complete the clinical development of any of our development stage product candidates and will require additional funding in order to complete the development activities required for regulatory approval of such product candidates. We will require substantial additional funds to continue our development programs and to fulfill our planned operating goals, and our existing cash resources are not expected to be sufficient to fund operations for at least one year from the date the financial statements are issued.

We may experience delays in opportunities to partner our product candidates, due to financial and other impacts on potential partners. Additionally, we may experience potential impacts on our future milestones from Medexus due to effects of macroeconomic impacts, including, but not limited to, bank failure, and the rising and fluctuating inflation, which may impact Medexus' ability to continue to successfully commercialize the IXINITY businesses.

There are numerous risks and uncertainties associated with research, development, and commercialization of pharmaceutical products. Accordingly, our future funding requirements may vary from our current expectations and will depend on many factors, including, but not limited to:

- our ability to raise additional capital when needed or on acceptable terms;
- future profitability given our historical losses;
- our ability to maintain compliance with Nasdaq's continued listing requirements, including the recently approved proposal to maintain a market value of listed securities of at least $5.0 million;
- our ability to attract, motivate and retain key personnel;
- the timing of, and the costs involved in, completing our clinical trials, and obtaining regulatory approvals for our product candidates;
- our ability to obtain regulatory clearance to commence clinical trials for product candidates;
- our ability to establish and maintain strategic partnerships, licensing or other arrangements and the financial terms of such agreements;
- the effects of macroeconomic conditions, including rising and fluctuating inflation and supply chain constraints as well as political events such as the U.S. federal government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions;
- our ability to successfully develop our ADAPTIR or ADAPTIR-FLEX platforms;
- our radiopharmaceutical programs rely on radioisotope supply and complex manufacturing, which could delay development or commercialization;
- the results of our current and planned preclinical studies and clinical trials;
- the scope, progress, results, and costs of researching and developing our product candidates, and of conducting preclinical and clinical trials, including whether clinical trial results will be consistent with the past data;
- our reliance on third parties to effectively conduct our clinical and non-clinical trials, and to effectively carry out their contractual duties, comply with regulatory requirements or meet expected deadlines;
- the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims, including litigation costs and the outcome of such litigation;
- the cost of commercialization activities if any of our product candidates are approved for sale, including marketing, sales, and distribution costs; and
- the timing, receipt and amount of any milestone payments from Medexus with respect to IXINITY; and
- our ability to continue as a going concern.

If we are unable to raise substantial additional capital in the next year, whether on terms that are acceptable to us or at all, then we may be required to:

- delay, limit, reduce or terminate our clinical trials or other development activities for one or more of our product candidates; and/or,
- delay, limit, reduce or terminate our establishment of other activities that may be necessary to commercialize our product candidates, if approved.

The sale of additional equity or convertible debt securities may result in additional dilution to our stockholders. If we raise additional funds through the issuance of debt securities or preferred stock or through credit facilities, these securities and/or the loans under credit facilities could provide for rights senior to those of our common stock and could contain covenants that would restrict our operations. Additional funds may not be available when we need them, on terms that are acceptable to us, or at all. We also expect to seek additional funds through arrangements with collaborators, licensees or other third parties. These arrangements would generally require us to relinquish or encumber rights to some of our technologies or drug candidates, and we may not be able to enter into such arrangements on acceptable terms, if at all. Due to the macroeconomic factors, we may experience delays in clinical trials and non-clinical work, and opportunities to partner our product candidates, due to financial and other impacts on potential partners.

Contractual Obligations

We have an operating lease related to our office and laboratory space in Seattle, Washington. This lease was amended in March 2019 to extend the term of the amended lease through April 2030 and provided two options to extend the lease term, each by five years, as well as a one-time option to terminate the lease in April 2023, with nine months' notice, or by July 2022. On May 26, 2022, we further amended our office and laboratory lease to remove the one-time termination option in April 2023. In exchange for removing the termination option, we received six months of free rent. As a result, we recorded an additional $4.4 million of lease liability and right-of-use asset on the consolidated balance sheet in May 2022.

We have a non-exclusive Commercial Platform License Agreement with OMT ("OMT License Agreement") for certain transgenic rodents of OMT's OmniAb platform. Our OMT License Agreement obligates us to make milestone and royalty payments upon achievement of certain regulatory approvals and commercialization of our product candidates. Mipletamig and APVO603 are the product candidates currently subject to this agreement. Pursuant to our agreement, we are required to make a $2.0 million milestone payment upon dosing the first patient in a Phase 2 clinical trial of mipletamig.

Our principal commitments include obligations under vendor contracts to purchase research services and other purchase commitments with our vendors. In the normal course of business, we enter into services agreements with contract research organizations, contract manufacturing organizations and other third parties. Generally, these agreements provide for termination upon notice, with specified amounts due upon termination based on the timing of termination and the terms of the agreement. The actual amounts and timing of payments under these agreements are uncertain and contingent upon the initiation and completion of the services to be provided.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As of June 30, 2026, there were no material changes to the information provided under Item 7A, Quantitative and Qualitative Disclosures About Market Risk in our Annual Report on Form 10-K for the year ended December 31, 2025 filed on March 26, 2026.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As of June 30, 2026, management, with the participation of our Chief Executive Officer and Chief Financial Officer, performed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2026, the design and operation of our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We may from time to time be named as a party to legal claims, actions and complaints, including matters involving employment claims, our intellectual property or other third-party claims. Our management believes that there are currently no claims or actions pending against us, the ultimate disposition of which could have a material adverse effect on our results of operations, financial condition or cash flows.

Item 1A. Risk Factors.

We are subject to significant risks and uncertainties that could impact the Company's businesses, results of operations and financial condition, including by causing our actual results to differ materially from those projected in any forward-looking statements. Additional risks and uncertainties that are not currently known to the Company or management or that are not currently believed by the Company or management to be material may also harm the Company's business, financial condition and results of operation. You should carefully consider the following risks and other information in this Quarterly Report on Form 10-Q in evaluating us and our common stock. These disclosures reflect our beliefs and opinions as to factors that could materially and adversely affect us and our securities in the future. References to past events are provided by way of example only and are not intended to be a complete listing or a representation as to whether or not such factors have occurred in the past or their likelihood of occurring in the future.

RISK FACTOR SUMMARY

The following is a summary of the material risks to our business, operations, and ownership of our common stock:

- We have a history of losses and may not be profitable in the future.
- Our management and board of directors have concluded that a substantial doubt is deemed to exist concerning our ability to continue as a going concern.
- Our common stock may be at risk for delisting from the Nasdaq Capital Market in the future if we do not maintain compliance with Nasdaq's continued listing requirements. Delisting could adversely affect the liquidity of our common stock and the market price of our common stock could decrease.
- We will require additional capital and may be unable to raise capital when needed or on acceptable terms.
- Our success is dependent on our continued ability to attract, motivate and retain key personnel, and any failure to attract or retain key personnel may negatively affect our business.
- If we experience delays or difficulties in the commencement, site initiation, enrollment of patients or completion of our clinical trials, the time to reach critical trial data and receipt of any necessary regulatory approvals could be delayed.
- Our long-term success depends, in part, upon our ability to develop, receive regulatory approval for and commercialize our product candidates.
- We may not be successful in establishing and maintaining collaborations that leverage our capabilities in pursuit of developing and commercializing our product candidates.
- We face and will continue to face substantial competition and our failure to effectively compete may prevent us from achieving significant market penetration for our product candidates, if approved.
- Our business is affected by macroeconomic conditions, including rising and fluctuating inflation, market volatility, bank failure, economic uncertainty, such as the impact from changing economic policies, tariffs and supply chain constraints as well as political events such as potential U.S. federal government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions.
- We may not be successful in our efforts to use and further develop our ADAPTIR or ADAPTIR-FLEX platforms.
- If we are unable to protect our intellectual proprietary rights, our business could be harmed.
- Actions of activist stockholders against us have been and could be disruptive and costly and may cause uncertainty about the strategic direction of our business.
- The results of our current and planned preclinical studies and clinical trials may not satisfy the requirements of the FDA or non-U.S. regulatory authorities. Results from early-preclinical studies and clinical trials may not be predictive of results from later-stage or other trials and interim or top line data may be subject to change or qualification based on the complete analysis of data.

- Serious adverse events, undesirable side effects or other unexpected properties of our product candidates may be identified that could delay, prevent, or cause the withdrawal of regulatory approval, limit the commercial potential, or result in significant negative consequences following marketing approval.
- We depend on third parties to conduct our clinical and non-clinical trials. If these third parties do not effectively carry out their contractual duties, comply with regulatory requirements or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.
- Our stock price is and may continue to be volatile.
- We may be subject to periodic litigation, which could result in losses or unexpected expenditure of time and resources.
- Our future income will depend, in part, on the ability of Medexus to successfully further develop, market and commercialize IXINITY, resulting in milestone payments to the Company by Medexus.

RISKS RELATED TO OUR BUSINESS

Financial Risks

We have a history of losses and may not be profitable in the future.

We have experienced significant operating losses in the past and may not be profitable in the future. For the six months ended June 30, 2026, we had net loss of $13.1 million compared to $12.6 million for the same period in 2025. As of June 30, 2026, we had an accumulated deficit of $288.3 million. We expect to continue to incur annual net operating losses for the foreseeable future, and will require substantial resources over the next several years as we expand our efforts to discover, develop and commercialize immunotherapeutic candidates. Our future success and ability to attain profitability will depend upon our ability to develop and commercialize our product candidates.

Our management and board of directors have concluded that a substantial doubt is deemed to exist concerning our ability to continue as a going concern.

Accounting Standards Update (ASU 2014-15) requires management to assess our ability to continue as a going concern for one year after the date the financial statements are issued. As further discussed in Note 1, Nature of Business and Significant Accounting Policies to our consolidated financial statements in this Form 10-Q, substantial doubt is deemed to exist about our ability to continue as a going concern for the one-year period from the date of issuance of these financial statements. Our financial statements do not include any adjustment relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern. Our future ability to continue as a going concern will require us to generate positive cash flow from operations, obtain additional financing, enter into strategic alliances and/or sell assets in addition to our existing cash and cash equivalents and the funding provided by our Purchase Agreement with XOMA, potential future milestone payments from Medexus under our LLC Purchase Agreement (the "LLC Purchase Agreement") and exercise of warrants. The reaction of investors to our conclusion of our potential inability to continue as a going concern in future may adversely affect our share price and our ability to raise new capital and enter into strategic alliances. If we become unable to continue as a going concern in the future, we may have to liquidate our assets and the values we receive for our assets in liquidation or dissolution could be significantly lower than the values reflected in our financial statements.

We will require additional capital and may be unable to raise capital when needed or on acceptable terms.

As of June 30, 2026, we had cash and cash equivalents in the amount of $9.8 million. We will require additional funding to continue our business including to support the ongoing clinical development of mipletamig and ALG.APV-527, develop additional products, support commercial marketing activities or otherwise provide additional financial flexibility we will require additional funding. In addition, on June 16, 2025, we entered into the First SEPA with Yorkville, pursuant to which we have the right, but not the obligation, to issue and sell to Yorkville from time to time up to $25.0 million during the 36 months following the execution of the First SEPA. On January 8, 2026, we entered into the Second SEPA with Yorkville, pursuant to which we have the right, but not the obligation, to issue and sell to Yorkville from time to time up to $60.0 million during the 36 months following the execution of the Second SEPA. We currently have an aggregate of $66.8 million capacity remaining under the SEPAs. Such availability remains subject to certain restrictions and the satisfaction of specified conditions under the SEPAs, including a 9.99% beneficial ownership limitation. If we are not able to secure adequate additional funding, we may need to make reductions in spending. This may include extending payment terms with suppliers, liquidating assets, and suspending or curtailing planned programs. We may also have to delay, reduce the scope of, suspend or eliminate one or more research and development programs. We may also be forced to grant rights to develop and market our product candidates that we would otherwise prefer to develop or market ourselves or we may be unable to take advantage of future

business opportunities. A failure to raise the additional funding or to effectively implement cost reductions would harm our business, results of operations and future prospects.

In addition, we are subject to certain contractual restrictions on our ability to raise capital. Under the Securities Purchase Agreement and the Warrant Inducement Letters, we agreed that from the date of such agreements until 3 months after the later of (i) the Stockholder Approval Date and (ii) the Effective Date (in the case of the Securities Purchase Agreement) or the effectiveness of the Resale Registration Statement (in the case of the Warrant Inducement Letters), we will not issue or propose to issue any shares of common stock or common stock equivalents, or file any registration statement or amendment or supplement thereto (other than as contemplated by the applicable registration rights agreement or a registration statement on Form S-8 in connection with any employee benefit plan). In addition, under both the Securities Purchase Agreement and the Warrant Inducement Letters, beginning on August 12, 2026 and until one (1) year after the Stockholder Approval Date, we are prohibited from effecting or entering into an agreement to effect any issuance of common stock or common stock equivalents involving variable-price equity financings. These contractual restrictions may limit our ability to access capital through equity lines of credit, at-the-market offerings, or other variable-price equity financings during the restricted period, which could adversely affect our liquidity and our ability to fund our operations and clinical development activities if we are unable to secure alternative sources of financing on acceptable terms or at all.

Our future capital requirements will depend on many factors, including:

- the cost to attract, motivate and retain key personnel;
- the extent to which we invest in products or technologies;
- the ability to satisfy the payment obligations and covenants under any future indebtedness;
- the ability to secure partnerships and/or collaborations that generate additional cash;
- capital improvements to our facilities;
- the scope, progress, results, and costs of our development activities;
- clinical development costs, timing, and other requirements to initiate and complete our Phase 1b/2 clinical trial for mipletamig and Phase 1 clinical trial of ALG.APV-527, as well as future clinical trials;
- the cost of preparing, filing and prosecuting patent applications, obtaining, maintaining, enforcing and protecting our intellectual property rights and defending intellectual property-related claims; and
- macroeconomic conditions, including the impact of inflation, cost of capital and the impact from the changes in economic policies and regulations, such as tariffs as well as political events such as a U.S. government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions; and
- the level, timing and receipt of any milestone payments under our agreements with Medexus with respect to the sales of IXINITY.

Further, changing circumstances, some of which may be beyond our control, such as macroeconomic conditions, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned.

We cannot guarantee that future financing will be available in sufficient amounts, or on commercially reasonable terms, or at all. If our capital resources are insufficient to meet our future capital requirements, we will need to finance our cash needs through bank loans, public or private equity or debt offerings, collaboration and licensing arrangements, or other strategic transactions. Our ability to raise future capital on acceptable terms or at all will be impacted by the macroeconomic environment, including fluctuating interest rates, economic uncertainty and volatility in the capital market, changing economic policies such as tariffs, geopolitical tensions and political events, including the ongoing war between Ukraine and Russia, United States and Iran and any other military event that could evolve out of the current conflicts, reoccurrences of COVID-19 or other pandemics, or other future widespread public health epidemics, a U.S. federal government shutdown, evolving healthcare policies, or other factors that could also adversely impact our ability to access capital as and when needed or increase our costs in order to raise capital. Current capital market conditions, including the impact of inflation, have increased borrowing rates and can be expected to significantly increase our cost of capital as compared to prior periods. Public or bank debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, pursuing acquisition opportunities, declaring dividends and limiting or restricting our ability to acquire, sell or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. If we raise funds by issuing equity securities, our stockholders will experience dilution. If we raise funds through collaboration and licensing arrangements with third parties or enter into other strategic transactions, it may be necessary to relinquish valuable rights to our technologies or product candidates or grant licenses on terms that may not be favorable to us. If financing is unavailable or lost, our business, results of operations, financial condition and financial prospects would be adversely affected and we could be forced to delay, reduce the scope of or eliminate many of our planned activities.

Further, SEC regulations limit the amount of funds we can raise during any 12-month period pursuant to our shelf registration statement on Form S-3. On June 20, 2025, we filed the latest amendment to the prospectus related to the Registration Statement on Form S-3 filed on February 14, 2025, pursuant to General Instruction I.B.6 of Form S-3, which updates the amount of shares that we are eligible to sell the ATM Agreement with Roth. So long as the aggregate market value of our common stock held by non-affiliates is less than $75 million, we will not sell shares under the ATM Agreement with a value of more than one-third of the aggregate market value of our common stock held by non-affiliates in any 12-month period due to the limitations of General Instruction I.B.6 of Form S-3 and the current public float of our common stock. There is currently no remaining availability under the ATM Agreement due to limitations of General Instruction I.B.6. Additional capacity is expected to become available after October 2026. If we are required to file a new registration statement on another form, we may incur additional costs and be subject to delays in raising capital due to review by the SEC staff.

Recent regulatory developments may affect our ability to access capital markets. In May 2026, the Securities and Exchange Commission proposed amendments to the registered offering framework that, if adopted, would expand eligibility to use Form S-3 and eliminate the limitations currently applicable to smaller issuers under General Instruction I.B.6. The proposal remains subject to a temporary stay, and the ultimate impact on our financing strategy, access to capital, and stock price is uncertain.

Our business is affected by macroeconomic conditions, including fluctuating inflation rates, interest rates, market volatility, economic uncertainty, and supply chain constraints as well as political events such as a U.S. federal government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions.

Various macroeconomic factors and political events have in the past and could adversely affect in the future our business and the results of our operations and financial condition, including changes in inflation, interest rates and overall economic conditions and uncertainties such as those resulting from the current and future conditions in the global financial markets. Recently, for instance, the current administration imposed and/or announced (and in some cases postponed) tariffs on imports from various countries and on certain products, which may lead to unpredictable economic consequences including inflation or trade wars. For example, inflation has negatively impacted the Company by increasing our labor costs through higher wages and operating costs. Supply chain constraints have led to higher inflation, which if sustained could have a negative impact on the Company's product development and operations. If inflation or other factors were to significantly increase our business costs, our ability to develop our current pipeline and new therapeutic products may be negatively affected. In addition, a potential U.S. federal government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions may affect our ability to advance our clinical programs and to raise capital on favorable terms or at all. Interest rates, the liquidity of the credit markets and the volatility of the capital markets could also affect the operation of our business and our ability to raise capital on favorable terms, or at all, in order to fund our operations.

We are susceptible to changes in the U.S. economy. The U.S. economy has been affected from time to time by economic downturns or recessions, supply chain constraints, rising and fluctuating inflation and interest rates, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies and overall uncertainty with respect to the economy.

In addition, any further deterioration in the U.S. economy would likely affect the operation of our business and ability to raise capital. In addition, U.S. debt ceiling and budget deficit concerns have increased the possibility of additional credit-rating downgrades and economic slowdowns, or a recession in the United States. Although U.S. lawmakers passed legislation to raise the federal debt ceiling on multiple occasions, ratings agencies have lowered or threatened to lower the long-term sovereign credit rating on the United States. The impact of this or any further downgrades to the U.S. government’s sovereign credit rating or its perceived creditworthiness could adversely affect the U.S. and global financial markets and economic conditions. Similarly, these macroeconomic factors could affect the ability of our third-party suppliers and manufacturers to manufacture clinical trial materials for our product candidates.

Actions of activist stockholders against us have been and could be disruptive and costly and may cause uncertainty about the strategic direction of our business.

Stockholders have in the past and may, from time to time, engage in proxy solicitations or advance stockholder proposals, or otherwise attempt to effect changes and assert influence on our Board and management. Activist campaigns that contest or conflict with our strategic direction or seek changes in the composition of our Board or management could have an adverse effect on our operating results and financial condition. A proxy contest would require us to incur significant legal and advisory fees, proxy solicitation expenses and administrative and associated costs and require significant time and attention by our Board and management, diverting their attention from the pursuit of our business strategy. Any perceived uncertainties as to our future direction and control, our ability to execute on our strategy, or changes to the composition of our Board or senior management team arising from a proxy contest could lead to the perception of a change in the direction of our business or instability which may result in the loss of potential business opportunities, make it more difficult to pursue our strategic initiatives, or limit our ability to attract and retain qualified personnel and business partners, any of which could adversely affect our business and operating results. If individuals are ultimately elected to our Board with a specific agenda, it may adversely affect our ability to effectively implement our business strategy and create value for our stockholders. We may choose to initiate, or may become subject to, litigation as a result of a proxy contest or matters arising from the proxy contest, which

would serve as a further distraction to our Board and management and would require us to incur significant additional costs. In addition, actions such as those described above could cause significant fluctuations in our stock price based upon temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business.

Our future income will depend, in part, on the ability of Medexus to successfully further develop, market and commercialize IXINITY, resulting in milestone payments to the Company by Medexus.

On February 28, 2020, we entered into the LLC Purchase Agreement with Medexus, pursuant to which we sold all of the issued and outstanding limited liability company interests of Aptevo BioTherapeutics, a subsidiary of Aptevo that wholly owns the IXINITY and related Hemophilia B business. We are entitled to receive future potential payments to the extent of the achievement of certain regulatory and commercial milestones and through deferred payments based on net sales of IXINITY. We no longer control the development, marketing, and commercialization of IXINITY and are dependent on Medexus to successfully do so. Although Medexus has agreed to use commercially reasonable efforts to commercialize IXINITY in the ordinary course of business in good faith, Medexus may not commit adequate resources to the further development, marketing, and commercialization of IXINITY, may experience financial difficulties, may face competition, or may prioritize other products or initiatives. Medexus' ability to continue to successfully commercialize the IXINITY business may be affected, and we may experience potential impacts on our future milestone payments from Medexus due to the macroeconomic and geopolitical environment. The failure of Medexus to successfully market and commercialize IXINITY, including because of factors outside of Medexus' control, could result in lower than expected milestone payments to us and negatively impact our future financial and operating results.

Our operating results are unpredictable and may fluctuate.

Our operating results are difficult to predict and will likely fluctuate from quarter to quarter and year to year, as a result of a variety of factors, including, but not limited to, the timing and amount of milestone payments, collaboration and development funding, research and development and clinical spending, strategic investments, and macroeconomic or geopolitical conditions. These and other factors could materially and adversely affect our business, results of operations and financial condition.

We face product liability exposure, which could cause us to incur substantial liabilities and negatively affect our business, financial condition, and results of operations.

The nature of our business exposes us to potential liability inherent in pharmaceutical products, including with respect to the testing of our product candidates in clinical trials and any product candidates that we successfully develop. Product liability claims might be made by patients in clinical trials, consumers, health care providers or pharmaceutical companies or others that sell any products that we successfully develop. These claims may be made even with respect to those products that are manufactured in licensed and regulated facilities or otherwise receive regulatory approval for study or commercial sale. We cannot predict the frequency, outcome or cost to defend any such claims.

If we cannot successfully defend ourselves against future claims that our product candidates caused injuries, we may incur substantial liabilities. Regardless of merit or eventual outcome, product liability claims may result in:

- adverse publicity and/or injury to our reputation;
- withdrawal of clinical trial participants;
- costs to defend the related litigation;
- substantial monetary awards to trial participants or patients;
- decreased demand or withdrawal of an approved product;
- loss of revenue; and
- the inability to commercialize products that we may develop.

The amount of insurance that we currently hold may not be adequate to cover all liabilities that may occur. Further product liability insurance may be difficult and expensive to obtain. We may not be able to maintain insurance coverage at a reasonable cost and we may not be able to obtain insurance coverage that will be adequate to satisfy all potential liabilities. Claims or losses in excess of our product liability insurance coverage could have a material adverse effect on our business, financial condition, and results of operations. The cost of defending any product liability litigation or other proceeding, even if resolved in our favor, could be substantial. Uncertainties resulting from the initiation and continuation of product liability litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Product liability claims, regardless of merit or eventual outcome, may absorb significant management time and result in reputational harm, potential loss of revenue from decreased demand for any product candidates we successfully develop, withdrawal of clinical trial participants and potential termination of clinical trial sites or entire clinical programs, and could cause our stock price to fall.

Our success is dependent on our continued ability to attract, motivate and retain key personnel, and any failure to attract or retain key personnel may negatively affect our business.

Because of the specialized scientific nature of our business, our ability to develop products and to compete with our current and future competitors largely depends upon our ability to attract, retain and motivate highly qualified managerial and key scientific and technical personnel. If we are unable to retain the services of one or more of the principal members of senior management, including our Chief Executive Officer, Jeffrey G. Lamothe, our Chief Medical Officer, Dr. Dirk Huebner, our Chief Financial Officer, Daphne Taylor, our General Counsel, SoYoung Kwon, our Chief Scientific Officer, Mary Janatpour, our Vice President, Investor Relations and Corporate Communications, Miriam Miller, or other key employees, our ability to implement our business strategy could be materially harmed.

Effective as of April 1, 2026, Marvin L. White transitioned to the role of Executive Chair of the Board, and Jeff Lamothe, previously the Company's Chief Operating Officer, assumed the role of President and Chief Executive Officer of the Company. Our success will depend, in part, on the effectiveness of this transition. If we do not successfully manage this transition, it could be viewed negatively by our customers, employees, investors, and other third-party partners and could have an adverse impact on our business, results of operations, or our stock price.

In addition, we face intense competition for qualified employees from biotechnology and pharmaceutical companies, research organizations and academic institutions. Attracting, retaining or replacing these personnel on acceptable terms may be difficult and time-consuming given the high demand in our industry for similar personnel. We believe part of being able to attract, motivate and retain personnel is our ability to offer a competitive compensation package. If we cannot offer a competitive compensation package or otherwise attract and retain the qualified personnel necessary for the continued development of our business, we may not be able to maintain our operations or grow our business.

We completed a Section 382 study and have concluded that we experienced an "ownership change" as defined in Section 382 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and thus the tax benefits of our pre-"ownership change" net operating loss carryforwards and certain other tax attributes will be subject to an annual limitation under Sections 382 and 383 of the Code.

In general, a corporation undergoes an "ownership change" under Section 382 of the Code if, among other things, the stockholders who own, directly or indirectly, 5% or more of the corporation's stock (by value), or are otherwise treated as "5% stockholders" under Section 382 of the Code and the Treasury regulations promulgated thereunder, increase their aggregate percentage ownership (by value) of the corporation's stock by more than 50 percentage points over the lowest percentage of stock owned by the 5% stockholders at any time during the applicable testing period, which is generally the rolling three-year period preceding the date of the potential ownership change testing event. Such potential ownership change testing events include changes involving a stockholder becoming a 5% stockholder or arising from a new issuance of capital stock or share repurchases by the corporation, subject to certain exceptions.

In the event of an "ownership change," Sections 382 and 383 of the Code impose an annual limitation on the amount of taxable income a corporation may offset with pre-change net operating loss carryforwards and certain other tax attributes. The annual limitation is generally equal to the value of the outstanding stock of the corporation immediately before the ownership change (excluding certain capital contributions), multiplied by the long-term tax-exempt rate as published by the IRS for the month in which the ownership change occurs (the long-term tax-exempt rate for June 2025 is 3.61%). Any unused annual limitation may generally be carried over to subsequent years until the pre-ownership change net operating loss carryforwards and certain other tax attributes expire or are fully utilized by the corporation. Similar provisions of state tax law may also apply to limit the use of state net operating loss carryforwards and certain other tax attributes.

Additionally, Section 382 of the Code includes special rules that apply to a corporation with a significant amount of net unrealized built-in gains or net unrealized built-in losses in its assets immediately prior to ownership change under Section 382 of the Code. In general, certain built-in gains recognized during the five-year period beginning on the date of the ownership change increases the corporation's annual limitation under Sections 382 and 383 of the Code in the taxable year that such built-in gains are recognized or deemed recognized (but only up to the amount of the net unrealized built-in gain), while certain built-in losses recognized during such five-year period are subject to the annual limitation under Section 382 of the Code (but only up to the amount of the net unrealized built-in loss).

As of December 31, 2025, we had approximately $207.9 million and $70.8 million of federal and state net operating loss carryforwards, respectively, available to reduce future taxable income that will begin to expire in 2037 for federal income tax purposes. We have completed an IRC Section 382/383 study through December 31, 2025 on our federal and state tax attributes. Based on the study, historical ownership changes have been identified, including an ownership change in June 2025. As a result of the June 2025 ownership change, there may be an additional permanent limitation on our ability to use approximately $0.8 million tax credits solely due to the IRC 382/383 limitations, assuming sufficient future taxable income. We may experience ownership changes in the future as a result of subsequent shifts in our stock ownership, some of which may be outside of our control. If an ownership change occurs in the future, our ability to use our net operating loss carryforwards and credits could be further limited.

We cannot predict or control the occurrence or timing of another ownership change under Section 382 of the Code in the future. In addition, it is possible that any offering of securities by us could result in an ownership change. If another ownership change were to occur, future limitations could apply to our net operating losses and certain other tax attributes, which could result in a material amount of our net operating loss carryforwards and certain other tax attributes becoming unavailable to offset future income tax liabilities.

The realization of all or a portion of our deferred income tax assets (including net operating loss carryforwards) is dependent upon the generation of future income during the statutory carryforward periods. Our inability to utilize our limited pre-ownership change net operating loss carryforwards and certain other tax attributes, or the occurrence of a future ownership change and resulting additional limitations to these tax attributes, could have a material adverse effect on our financial condition, results of operations and cash flows.

Tax changes may affect the deductibility of our research and development expenditures.

On July 4, 2025, the One Big Beautiful Bill Act (the "Act") was signed into law. The Act makes permanent key elements of the Tax Cuts and Jobs Act, including 100 percent bonus depreciation, domestic research cost expensing, addback of depreciation for Section 163(j) calculation, and other modifications to the international tax framework. We do not expect a material impact of the Act on the Company's income tax expense given its history of losses and full valuation allowance. We will continue to evaluate the impact of the Act's provisions that take effect in future years.

Our investments are subject to market and credit risks that could diminish their value and these risks could be greater during periods of extreme volatility or disruption in the financial and credit markets, which could adversely impact our business, financial condition, results of operations, liquidity and cash flows.

Our investments are subject to risks of credit defaults and changes in market values. Periods of macroeconomic weakness or recession, heightened volatility or disruption in the financial and credit markets, such as the current macroeconomic environment, increase these risks, potentially resulting in other-than-temporary impairment of assets in our investment portfolio. The impact of geopolitical tension or political events, such as a U.S. federal government shutdown, evolving healthcare policies, changing economic policies, including tariffs, a deterioration in the bilateral relationship between the U.S. and China, the rising conflict in the Middle East, the current war between Russia and Ukraine and the U.S. and Iran, including any additional sanctions, export controls or other restrictive actions that may be imposed by the United States and/or other countries against governmental or other entities in, for example, Russia, also could lead to disruption, instability and volatility in the global markets, which may have an impact on our investments across negatively impacted sectors or geographies. Severe global economic and societal disruptions and uncertainties, such as reoccurrences of COVID-19 or other pandemics, or other future widespread public health epidemics may cause disruptions that could severely impact our business, such as delays or difficulties to the financing environment and raising capital due to economic uncertainty or volatility.

Product Development Risks

The results of our current and planned preclinical studies and clinical trials may not satisfy the requirements of the FDA or non-U.S. regulatory authorities. Results from early preclinical studies and clinical trials may not be predictive of results from later-stage or other trials and interim or top line data may be subject to change or qualification based on the complete analysis of data.

We completed our Phase 1b dose expansion clinical trial with mipletamig in 2023 and initiated a dose optimization Phase 1b/2 study in August of 2024 to assess safety and efficacy of mipletamig and to determine an optimal dose in front line patients. Additionally, we completed a first-in-human Phase 1 clinical study of ALG.APV-527 initiated in the first quarter of 2023. None of our other product candidates have entered clinical development. Clinical failure can occur at any stage of preclinical or clinical development. Preclinical studies and clinical trials may produce inconsistent, negative or inconclusive results. The FDA or a non-US regulatory authority may require us to conduct additional clinical or preclinical testing. Success in early preliminary data, preclinical studies and clinical trials does not mean that future larger registration clinical trials will be successful and interim results of a clinical trial do not necessarily predict final results. Product candidates in later-stage clinical trials may fail to demonstrate sufficient safety and efficacy to the satisfaction of the FDA and non-U.S. regulatory authorities despite having progressed through initial clinical trials. In some instances, there can be significant variability in safety or efficacy results between different clinical trials of the same product candidate due to numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, changes in adherence to the dosing regimen and other clinical trial protocols and the rate of dropout among clinical trial participants. In addition, preclinical and clinical data are often susceptible to various interpretations and analyses, and many companies whose product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy profile despite having progressed through preclinical studies and initial clinical trials. A number of companies in the pharmaceutical and biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier studies, and we cannot be certain that we will not face similar setbacks. Even if early-stage clinical trials are promising, we may need to conduct additional clinical trials of our product candidates in additional patient populations or under different treatment conditions before we are able to seek approvals from the FDA and regulatory authorities outside the United States to market and sell these product candidates. Any of these events could limit the commercial potential of our product candidates and have a material adverse effect on our business, prospects, financial condition and results of operations. A number of companies in the pharmaceutical industry,

including those with greater resources and experience than us, have suffered significant setbacks in advanced clinical trials, even after obtaining promising results in earlier clinical trials.

In addition, our mipletamig clinical trial is an open-label study and is conducted at a limited number of clinical sites on a limited number of patients. An "open-label" clinical trial is one where both the patient and investigator know whether the patient is receiving the investigational product candidate or an existing approved drug. Most typically, open-label clinical trials test only the investigational product candidate and sometimes may do so at different dose levels or in combination with other drugs. Open-label clinical trials are subject to various limitations that may exaggerate any therapeutic effect as patients in open-label clinical trials are aware when they are receiving treatment. Open-label clinical trials may be subject to a "patient bias" where patients perceive their symptoms to have improved merely due to their awareness of receiving an experimental treatment. In addition, open-label clinical trials may be subject to an "investigator bias" where those assessing and reviewing the physiological outcomes of the clinical trials are aware of which patients have received treatment and may interpret the information of the treated group more favorably given this knowledge. The results from these clinical trials may not be predictive of future clinical trial results with mipletamig or other product candidates. In addition, although the FDA issued a "may proceed" notification which allowed us and Alligator to initiate our Phase 1 clinical trial of ALG.APV-527, and the interim data from the dose escalation phase are positive, we cannot guarantee that this trial or future trials of ALG.APV-527 will show the desired safety and efficacy.

Our radiopharmaceutical program, including developed in collaboration with Niowave, introduces additional development risks due to the need to integrate our proprietary protein platforms with radioisotopes. This combination approach may present challenges related to safety, dosing, manufacturing consistency, and regulatory approval, and may require additional preclinical or clinical studies, which could delay development timelines or adversely affect our ability to obtain regulatory approval.

We may publicly disclose top line or interim data from time to time, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. The top line or interim results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results once additional data have been received and fully evaluated. Even in situations where a clinical stage candidate appears to be benefiting a patient that benefit may not be of a permanent nature. Top line and interim data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. In addition, the achievement of one primary endpoint for a trial does not guarantee that additional co-primary endpoints or secondary endpoints will be achieved. Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure.

Our future clinical trials may not be successful. Moreover, should there be a flaw in a clinical trial, it may not become apparent until the clinical trial is well advanced. We may also experience numerous unforeseen events during, or as a result of, clinical trials that could delay or prevent our ability to receive marketing approval or commercialize our product candidates, including:

- regulators or Institutional Review Boards (“IRBs”) may not authorize us or our investigators to commence or continue a clinical trial, conduct a clinical trial at a prospective trial site, or amend trial protocols, or regulators or IRBs may require that we modify or amend our clinical trial protocols;
- we may experience delays in reaching, or fail to reach, agreement on acceptable clinical trial contracts or clinical trial protocols with prospective trial sites and our CROs;
- regulators may require us to perform additional or unanticipated clinical trials to obtain approval or we may be subject to additional post-marketing testing, surveillance, or Risk Evaluation and Mitigation Strategy (“REMS”) requirements to maintain regulatory approval;
- clinical trials of our product candidates may produce negative or inconclusive results, or our studies may fail to reach the necessary level of statistical significance;
- changes in marketing approval policies, laws, regulations, or the regulatory review process during the development period rendering our data insufficient to obtain marketing approval;
- the cost of clinical trials of our product candidates may be greater than we anticipate or we may have insufficient funds for a clinical trial or to pay the substantial user fees required by the FDA upon the filing of a marketing application;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials of our product candidates may be insufficient or inadequate;

- we may fail to reach an agreement with regulators or IRBs regarding the scope, design, or implementation of our clinical trials;
- we may have delays in adding new investigators or clinical trial sites, or we may experience a withdrawal of clinical trial sites;
- there may be regulatory questions or disagreements regarding interpretations of data and results, or new information may emerge regarding our product candidates;
- the FDA or comparable foreign regulatory authorities may disagree with our study design, including endpoints, or our interpretation of data from non-clinical studies and clinical trials or find that a product candidate's benefits do not outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may not accept data from studies with clinical trial sites in foreign countries;
- the FDA or comparable regulatory authorities may disagree with our intended indications;
- the FDA or comparable foreign regulatory authorities may fail to approve or subsequently find fault with the manufacturing processes or our contract manufacturer's manufacturing facility for clinical and future commercial supplies; and
- we may not be able to demonstrate that a product candidate provides an advantage over current standards of care or current or future competitive therapies in development.

Further, our product candidates may not be approved even if they achieve their primary endpoints in Phase 3 clinical trials or registration trials. Regardless of any advisory committee recommendation, the FDA may decline to approve the biologics license application ("BLA") for a number of reasons including, if the clinical benefit, safety profile or effectiveness of the drug is not deemed by the FDA to warrant approval. The FDA or other non-U.S. regulatory authorities may disagree with our trial design, and our interpretation of data from non-clinical studies and clinical trials. In particular, the FDA may not view our data as being clinically meaningful or statistically persuasive. The regulatory authorities and policies governing the development of our product candidates may also change at any time. In addition, any of these regulatory authorities may change requirements for the approval of a product candidate even after reviewing and providing comments or advice on a protocol for a pivotal Phase 3 clinical trial. Any of these regulatory authorities may also approve a product candidate for fewer or more limited indications than we request or may grant approval contingent on the performance of costly post-marketing clinical trials. The FDA or other non-U.S. regulatory authorities may not approve the labeling claims that we believe would be necessary or desirable for the successful commercialization of our product candidates.

We may not be able to file investigational new drugs ("INDs"), or IND amendments to commence additional clinical trials on the timelines we expect, and even if we are able to, the FDA may not permit us to proceed.

We have submitted INDs and received approvals to proceed into clinical trials for multiple product candidates, including ALG.APV-527 and mipletamig, however, we may not be able to file future INDs for our product candidates on the timelines we expect. For example, we may experience manufacturing delays or other delays with IND-enabling studies. Moreover, we cannot be sure that submission of future INDs will result in the FDA allowing clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate clinical trials. Additionally, even if such regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND, we cannot guarantee that such regulatory authorities will not change their requirements in the future. These considerations also apply to new clinical trials we may submit as amendments to existing INDs or to a new IND. Any failure to file INDs on the timelines we expect or to obtain regulatory approvals for our trials may prevent us from completing our clinical trials or commercializing our products on a timely basis, if at all.

If we experience delays or difficulties in the commencement, site initiation, enrollment of patients or completion of our clinical trials, the time to reach critical trial data and receipt of any necessary regulatory approvals could be delayed.

We may not be able to initiate or continue clinical trials for our product candidates if we are unable to locate, enroll and maintain a sufficient number of eligible patients to participate in these trials as required by the FDA or similar regulatory authorities outside the United States. In addition, some of our competitors have ongoing clinical trials for product candidates that treat the same indications as our product candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' product candidates. Furthermore, mipletamig has received orphan drug designation for acute myelogenous leukemia and thus has a relatively small patient population. Also, the eligibility criteria of our clinical trials may further limit the pool of available study participants as we require that patients have specific characteristics that we can measure to assure their disease is either severe enough or not too advanced to include them in a study.

Patient enrollment is affected by other factors including:

- the severity of the disease under investigation;

- the design of the clinical trial, including the patient eligibility criteria for the study in question;
- the perceived risks and benefits of the product candidate under study;
- our payments for conducting clinical trials;
- the patient referral practices of physicians;
- our ability to recruit clinical trial investigators with the appropriate competencies and experiences;
- our ability to obtain and maintain patient consents;
- the ability to monitor patients adequately during and after treatment;
- reporting of preliminary results of any of our clinical trial sites; and
- the proximity and availability of clinical trial sites for prospective patients.

Our inability to enroll a sufficient number of patients for clinical trials could result in significant delays and could require us to abandon one or more clinical trials altogether. Site initiation and enrollment delays in our clinical trials may result in increased development costs for our product candidates, delays in the availability of preliminary or final results, and delays to commercially launching our product candidates, if approved, which may cause the value of our company to decline and limit our ability to obtain additional financing.

Serious adverse events, undesirable side effects or other unexpected properties of our product candidates may be identified that could delay, prevent, or cause the withdrawal of regulatory approval, limit the commercial potential, or result in significant negative consequences following marketing approval.

Serious adverse events or undesirable side effects caused by, or other unexpected properties of any of our product candidates, either when used alone or in combination with other approved or investigational therapies, could cause us or regulatory authorities to interrupt, delay or halt our development activities and manufacturing and distribution operations and could result in a more restrictive label, the imposition of a clinical hold, suspension, distribution or use restrictions or the delay or denial of regulatory approval by the FDA or comparable foreign regulatory authorities. If any of our product candidates are associated with serious adverse events or undesirable side effects or have properties that are unexpected, we may need to abandon their development or limit development to certain uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. Many compounds that initially showed promise in clinical or earlier stage testing have later been found to cause undesirable or unexpected side effects that prevented further development of the compound.

As we continue developing our product candidates and conduct clinical trials of our product candidates, serious adverse events, or SAEs, undesirable side effects, relapse of disease or unexpected characteristics may emerge causing us to abandon these product candidates or limit their development to more narrow uses or subpopulations in which the SAEs or undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective or in which efficacy is more pronounced or durable. Undesirable side effects, or other unexpected adverse events or properties of any of our product candidates, could arise or become known either during clinical development or, if approved, after the approved product has been marketed. If such an event occurs during development, the FDA or comparable foreign regulatory authorities could suspend or terminate a clinical trial or deny approval of our product candidates. Furthermore, we are currently and may in the future evaluate our product candidates in combination with approved and/or experimental therapies. These combinations may have additional or more severe side effects than caused by our product candidate as monotherapies. The uncertainty resulting from the use of our product candidate in combination with other therapies may make it difficult to accurately predict side effects or efficacy in potential future clinical trials. If our product candidates receive marketing approval and we or others later identify undesirable side effects caused by such products, a number of potentially significant negative consequences may result, including:

- regulatory authorities may require us to conduct additional clinical trials or abandon our research efforts for our other product candidates;
- regulatory authorities may require additional warnings on the label or impose distribution or use restrictions;
- regulatory authorities may require one or more post-market studies;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- regulatory authorities may require implementation of a REMS, Field Safety Corrective Actions or equivalent, which may include safety surveillance, restricted distribution and use, patient education, enhanced labeling, special packaging or labeling, expedited reporting of certain adverse events, preapproval of promotional materials and restrictions on direct-to-consumer advertising;

- we could be sued and held liable for harm caused to patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market approval and acceptance of the affected product candidate, or could substantially increase commercialization costs and expenses, which could delay or prevent us from generating revenue from the sale of our products and materially harm our business and results of operations.

We depend on third parties to conduct our clinical and non-clinical trials. If these third parties do not effectively carry out their contractual duties, comply with regulatory requirements or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.

We do not have the ability to independently conduct the clinical and preclinical trials required to obtain regulatory approval for our product candidates. We depend on third parties, such as independent clinical investigators, research sites, CROs and other third-party service providers to conduct the clinical and preclinical trials of our product candidates, and we expect to continue to do so.

While we have agreements governing the activities of third parties, we have limited influence and control over their actual performance and activities. For instance, our third-party service providers are not our employees, and except for remedies available to us under our agreements with such third parties we cannot control whether or not they devote sufficient time and resources to our ongoing clinical, and non-clinical programs. Our third-party service providers may also have relationships with other entities, some of which may be our competitors, for whom they may also be conducting trials or other therapeutic development activities that could harm our competitive position. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or conduct our non-clinical studies or clinical trials in accordance with regulatory requirements or our stated protocols, if they need to be replaced or if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to our protocols, regulatory requirements or for other reasons, our trials may be repeated, extended, delayed, or terminated, we may not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates, we may not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates, or we or they may be subject to regulatory enforcement actions.

Our reliance on third-party service providers does not relieve us of our regulatory responsibilities, including ensuring that our trials are conducted in accordance with the FDA-approved good clinical practices ("GCPs") and the plans and protocols contained in the relevant regulatory application. In addition, these organizations and individuals may not complete these activities on our anticipated or desired timeframe. We also may experience unexpected cost increases that are beyond our control. Problems with the timeliness or quality of the work of a contract research organization may lead us to seek to terminate the relationship and use an alternative service provider, which may prove difficult and/or costly and result in a delay of our trials. In addition, business disruptions arising from circumstances out of our control, could negatively affect the ability of some of the independent clinical investigators, contract research organizations and other third-party service providers that conduct our clinical and preclinical trials of our product candidates. Any delay in or inability to complete our trials could delay or prevent the development, approval, and commercialization of our product candidates.

If CROs or other third parties assisting us or our study sites fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or its non-U.S. counterparts may require us to perform additional clinical trials before approving our marketing applications. We or they may also face regulatory enforcement action. We cannot assure you that, upon inspection, the FDA or non-U.S. regulatory agencies will determine that any of our clinical trials comply with GCP. In addition, our clinical trials must be conducted with product produced under GMP and similar regulations outside of the United States. Our failure, or the failure of our product candidate manufacturers, to comply with these regulations may require us to repeat or redesign clinical trials, or conduct additional trials, which would increase our development costs and delay or impact the conduct of our preclinical studies, clinical trials, and the likelihood of regulatory approval.

If third parties do not carry out their duties under their agreements with us, if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to our clinical protocols, including dosing requirements, or regulatory requirements, or if they otherwise fail to comply with clinical trial protocols or meet expected deadlines, our clinical trials may not meet regulatory requirements. If our clinical trials do not meet regulatory requirements or if these third parties need to be replaced, our clinical trials may be extended, delayed, suspended or terminated.

Agreements with third parties conducting or otherwise assisting with our clinical or non-clinical studies might terminate for a variety of reasons, including a failure to perform by the third parties. If any of our relationships with these third parties terminate, we may not be able to enter into arrangements with alternative providers or to do so on commercially reasonable terms. Switching or adding additional third parties involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new third-party commences work. As a result, if we need to enter into alternative arrangements, it could delay our product development activities and adversely affect our business. Though we carefully manage our relationships with our third parties, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects, and results of operations.

If any of these events occur, we may not be able to obtain regulatory approval of our product candidates or succeed in our efforts to create approved line extensions for certain of our existing products or generate additional useful clinical data in support of these products. Moreover, if we are unable to obtain any necessary third-party services on acceptable terms or if these service providers do not successfully carry out their contractual duties or meet expected deadlines, our efforts to obtain regulatory approvals for our product candidates may be delayed or prevented.

Manufacture of our product candidates, especially in large quantities, is complex and time consuming. The loss of any of our third-party manufacturers, or delays or problems in the manufacture of our product candidates, could result in product shortages and/or delays in clinical development.

We do not have manufacturing capabilities and do not plan to develop such capacity in the foreseeable future. We depend on a limited number of third-party suppliers for the production of our product candidates. Accordingly, our ability to develop and deliver product candidates in a timely and competitive manner and to enable us to conduct our development programs depends on our third-party manufacturers being able to continue to meet our ongoing clinical trial needs and perform their contractual obligations. In order to successfully develop and commercialize our product candidates in a timely manner, we and our third-party manufacturers must be able to develop and execute on manufacturing processes and reach agreement on contract terms.

Our current and anticipated future dependence upon others for the manufacture of our product candidates or any product that we develop may adversely affect our future profit margins and our ability to commercialize any products that receive marketing approval on a timely and competitive basis. In addition, any performance failure on the part of our existing or future manufacturers could delay clinical development or marketing approval.

If these third-party manufacturers do not successfully carry out their contractual duties, meet expected deadlines or manufacture and/or store our product candidates in accordance with regulatory requirements, if there are disagreements between us and such parties, or if such parties are unable to expand capacities to support commercialization of any of our product candidates for which we obtain marketing approval, we may not be able to produce, or may be delayed in producing sufficient product candidates to meet our supply requirements. Any delays in obtaining adequate supplies with respect to our product candidates and components may delay the development or commercialization of our product candidates.

We may not succeed in our efforts to establish manufacturing relationships or other alternative arrangements for any of our product candidates, components, and programs. Our product candidates may compete with other products and product candidates for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that are both capable of manufacturing for us and willing to do so.

If our existing third-party manufacturers, or the third parties that we engage in the future to manufacture a product or component for commercial sale or for our clinical trials should cease to continue to do so for any reason, we likely would experience delays in obtaining sufficient quantities of our product candidates for us to meet commercial demand or to advance our clinical trials while we identify and qualify replacement suppliers. These third-party facilities may also be affected by natural disasters, such as floods or fire, or such facilities could face manufacturing issues, such as contamination or regulatory findings following a regulatory inspection of such facility. In such instances, we may need to locate an appropriate replacement third-party relationship, which may not be readily available or on acceptable terms, which would cause additional delay and increased expense. In some cases, the technical skills required to manufacture our products or product candidates may be unique or proprietary to the original manufacturer and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to an alternate supplier in a timely fashion if at all. The addition of a new or alternative manufacturer may also require FDA approvals and may have a material adverse effect on our business.

If for any reason we are unable to obtain adequate supplies of our product candidates or the components used to manufacture them, it will be more difficult for us to develop our product candidates and compete effectively. Further, even if we do establish such collaborations or arrangements, our third-party manufacturers may breach, terminate, or not renew these agreements.

We or our third-party manufacturers may also encounter shortages in the raw materials or therapeutic substances necessary to produce our product candidates in the quantities needed for our clinical trials or, if our product candidates are approved, in sufficient quantities for commercialization or to meet an increase in demand. Such shortages may occur for a variety of reasons, including capacity constraints, delays or disruptions in the market, and shortages caused by the purchase of such materials by our competitors or others. We may also not be able to obtain such materials on favorable terms as a result of global trade policies. Our third-party manufacturers' failure to obtain the raw materials, therapeutic substances, or active pharmaceutical ingredients necessary to manufacture sufficient quantities of our product candidates may have a material adverse effect on our business.

All of our current product candidates are biologics. Our product candidates must be made consistently and in compliance with a clearly defined manufacturing process. Problems may arise during manufacturing for a variety of reasons, including problems with raw materials, equipment malfunction or replacement and failure to follow specific protocols and procedures. Slight deviations anywhere in the manufacturing process, including obtaining materials, maintaining master seed or cell banks and preventing genetic drift, seed or cell growth, fermentation and contamination including from, among other things, particulates, filtration, filling, labeling, packaging, storage and shipping, and quality control testing, may result in lot failures or manufacturing shut-down, delays in the release of lots, product recalls, spoilage or regulatory action.

Additionally, our development and commercialization strategy involves entering into arrangements with corporate and academic collaborators, contract research organizations, distributors, third-party manufacturers, licensors, licensees and others to conduct development work, manage or conduct our clinical trials, manufacture our product candidates and market and sell our products outside of the United States and maintain our existing arrangements with respect to the commercialization or manufacture of our products. We may not have the expertise or the resources to conduct all of these activities for all products and product candidates on our own and, as a result, are particularly dependent on third parties in many areas. Any current or future arrangements for development and commercialization may not be successful, as the amount and timing of resources that third parties devote to developing, manufacturing, and commercializing our products candidates are not within our control. If we are not able to establish or maintain agreements relating to our product candidates in development, our results of operations and prospects would be materially and adversely affected.

Any loss of a third-party manufacturer, any delays, or problems in the manufacture of our products, or termination of any arrangements for development and commercialization of our products could have a material adverse effect on our business, operations, results of operations and financial condition. We may be required to replace our manufacturer and if this were to occur, we may incur added costs and delays in identifying and qualifying any such replacements. We may also not be able to enter into such arrangements on favorable commercial terms.

Changes in product candidate manufacturing, formulation or stability may result in additional costs or delay.

As product candidates are developed through preclinical studies to late-stage clinical trials toward approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods, manufacturing sites, formulation and stability, are altered along the way in an effort to optimize processes and results. Any of these changes could cause our product candidates to perform differently and affect the results of planned clinical trials or other future clinical trials conducted with the altered materials. Such changes may also require additional testing, clinical trials, FDA notification, or FDA approval. Any of the foregoing could limit our future revenues and growth.

Failure of our third-party manufacturers to successfully manufacture material that conforms to our specifications and the FDA's or foreign regulatory authorities' strict regulatory requirements, may prevent regulatory approval of those manufacturing facilities.

We rely on third parties to manufacture all clinical trial materials for our product candidates, and we will rely on third parties to manufacture commercial supplies, if any such product candidates are ultimately approved for commercial sale. Manufacturers of our product candidates and therapeutic substances must comply with GMP requirements enforced by the FDA that are applicable to both finished products and their active components used both for clinical and commercial supply. The FDA enforces these requirements through its facilities inspection program. Our product candidates, including mipletamig and ALG.APV-527, will not be approved for marketing by the FDA or other foreign regulatory authorities unless the FDA or their foreign equivalents also approve the facilities used by our third-party manufacturers to produce them for commercialization. If our third-party manufacturers cannot successfully manufacture material that conforms to our specifications and the FDA's or foreign regulatory authorities' strict regulatory requirements, the FDA or their foreign counterparts will not approve their manufacturing facilities, which would result in significant delays in obtaining FDA or foreign marketing approvals for our product candidates. If this were to occur, we may also never receive marketing approval, we may need to repeat clinical trials, we may need to undertake costly corrective actions, including product recalls, we may risk harm to subjects or patients, and we may face enforcement actions.

While we are ultimately responsible for the manufacture of our product candidates, other than through our contractual arrangements, we have little control over our manufacturers' compliance with these regulations and standards. If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain and maintain regulatory approval for or market our product candidates, if approved. Additionally, we may be unable to contract with alternative manufacturers on favorable or reasonable terms. Any new manufacturers would need to either obtain or develop the necessary manufacturing know-how, and obtain the necessary equipment and materials, which may take substantial time and investment. In some cases, the technical skills required to manufacture our products or product candidates may be unique or proprietary to the original manufacturer and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to a back-up or alternate supplier, or we may be unable to transfer such skills at all. In addition, if we are required to change manufacturers for any reason, we will be required to verify that the new manufacturer maintains facilities and procedures that comply with quality standards and with all applicable regulations. We will also need to verify, such as through a manufacturing

comparability study, that any new manufacturing process will produce our product candidate according to the specifications previously submitted to the FDA or any other regulatory authority. The delays associated with the verification of a new manufacturer could negatively affect our ability to develop product candidates or commercialize our products in a timely manner or within budget. Furthermore, a manufacturer may possess technology related to the manufacture of our product candidate that such manufacturer owns independently. This would increase our reliance on such manufacturer or require us to obtain a license from such manufacturer in order to have another manufacturer produce our product candidates. In addition, changes in manufacturers often involve changes in manufacturing procedures and processes, which could require that we conduct bridging studies between our prior clinical supply used in our clinical trials and that of any new manufacturer. We may be unsuccessful in demonstrating the comparability of clinical supplies which could require the conduct of additional clinical trials. We must also receive FDA approval for the use of any new manufacturers for commercial supply.

We and our third-party manufacturers may not be able to meet these manufacturing process requirements for any of our current product candidates, all of which have complex manufacturing processes, which make meeting these requirements even more challenging. If we are unable to develop manufacturing processes for our clinical product candidates that satisfy these requirements, we will not be able to supply sufficient quantities of test material to conduct our clinical trials in a timely or cost-effective manner, and as a result, our development programs will be delayed, our financial performance will be adversely impacted and we will be unable to meet our long-term goals.

One of our product candidates has received orphan drug designation from the FDA. However, there is no guarantee that we will be able to maintain this designation, receive this designation for any of our other product candidates, or receive or maintain any corresponding benefits, including periods of exclusivity.

One of our product candidates has received orphan drug designation. We may also seek orphan drug designation for our other product candidates, as appropriate. While orphan drug designation does provide us with certain advantages, it neither shortens the development time or regulatory review time of a product candidate nor gives the product candidate any advantage in the regulatory review or approval process.

Generally, if a product candidate with orphan drug designation subsequently receives marketing approval before another product considered by the FDA to be the same for the same orphan indication, the product is entitled to a period of marketing exclusivity, which precludes the FDA from approving another marketing application for the same drug or biologic for the same indication for a period of seven years in the United States.

We may not be able to obtain any future orphan drug designations that we apply for. Orphan drug designations do not guarantee that we will be able to successfully develop our product candidates, and there is no guarantee that we will be able to maintain any orphan drug designations that we receive. For instance, orphan drug designations may be revoked if the FDA finds that the request for designation contained an untrue statement of material fact or omitted material information, or if the FDA finds that the product candidate was not eligible for designation at the time of the submission of the request.

Moreover, even if we are able to receive and maintain orphan drug designations, we may ultimately not receive any period of regulatory exclusivity if our product candidates are approved. For instance, we may not receive orphan product regulatory exclusivity if the indication for which we receive FDA approval is broader than the orphan drug designation. Orphan exclusivity may also be lost for the same reasons that orphan drug designation may be lost. Orphan exclusivity may further be lost if we are unable to assure a sufficient quantity of the product to meet the needs of patients with the rare disease or condition.

Even if we obtain orphan exclusivity for any of our current or future product candidates, that exclusivity may not effectively protect the product from competition as different products can be approved for the same condition or products that are the same as ours can be approved for different conditions. Even after an orphan product is approved, the FDA can also subsequently approve a product containing the same principal molecular features for the same condition if the FDA concludes that the later product is clinically superior. The FDA may further grant orphan drug designation to multiple sponsors for the same compound or active molecule and for the same indication. If another sponsor receives FDA approval for such product before we do, we would be prevented from launching our product in the United States for the orphan indication for a period of at least seven years, unless we can demonstrate clinical superiority. Moreover, third-party payors may reimburse for products off-label even if not indicated for the orphan condition.

We may seek Breakthrough Therapy designation by the FDA for a product candidate that we develop, and we may be unsuccessful. If we are successful, the designation may not lead to a faster development or regulatory review or approval process, and it does not increase the likelihood that our product candidates will receive marketing approval.

We may seek Breakthrough Therapy designation for any product candidate that we develop. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over currently approved therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For drugs that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can

help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Drugs designated as breakthrough therapies by the FDA are also eligible for accelerated approval and priority review.

Even if we believe a product candidate we develop meets the criteria for designation as a breakthrough therapy, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of Breakthrough Therapy designation for a product candidate may not result in a faster development process, review or approval compared to drugs considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA. In addition, even if the product candidates we develop qualify as breakthrough therapies, the FDA may later decide that the drugs no longer meet the conditions for qualification and rescind the designation.

We may seek designation for our ADAPTIR and ADAPTIR-FLEX platform technologies as a designated platform technology, but we might not receive such designation, and even if we do, such designation may not lead to a faster development, regulatory review or approval process.

We may seek designation for our ADAPTIR and ADAPTIR-FLEX platform technologies as a designated platform technology. Under the FDORA, a platform technology incorporated within or utilized by a biologic is eligible for designation as a designated platform technology if (1) the platform technology is incorporated in, or utilized by, a product approved under a BLA; (2) preliminary evidence submitted by the sponsor of the approved or licensed product, or a sponsor that has been granted a right of reference to data submitted in the application for such product, demonstrates that the platform technology has the potential to be incorporated in, or utilized by, more than one product without an adverse effect on quality, manufacturing, or safety; and (3) data or information submitted by the applicable person indicates that incorporation or utilization of the platform technology has a reasonable likelihood to bring significant efficiencies to the drug development or manufacturing process and to the review process. A sponsor may request the FDA to designate a platform technology as a designated platform technology concurrently with, or at any time after, submission of an IND application for a product that incorporates or utilizes the platform technology that is the subject of the request. If so designated, the FDA may expedite the development and review of any subsequent original BLA for a product that uses or incorporates the platform technology. Even if we believe our platform technology meets the criteria for such designation, the FDA may disagree and instead determine not to grant such designation. In addition, the receipt of such designation for a platform technology does not ensure that a product will be developed more quickly or receive a faster FDA review process or ultimate FDA approval. Moreover, the FDA may revoke a designation if the FDA determines that a designated platform technology no longer meets the criteria for such designation.

We have in the past and may in the future conduct clinical trials for our product candidates outside the United States, and the FDA or non-U.S. regulatory authorities may not accept data from such trials in the development or approval of our product candidates in those jurisdictions.

We have in the past and may in the future conduct clinical trials outside the U.S. and the FDA and foreign regulatory authorities may not accept those data in support of the further development or approval of our product candidates. The acceptance of trial data from clinical trials conducted outside the United States by the FDA or applicable foreign regulatory authority may be subject to certain conditions. In cases where data from foreign clinical trials are intended to serve as the basis for marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the United States population and United States medical practice; (ii) the trials were performed by clinical investigators of recognized competence; and (iii) the data may be considered valid without the need for an on-site inspection by the FDA, or if the FDA considers such an inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. Additionally, the FDA's clinical trial requirements, including sufficient size of patient populations and statistical powering, must be met. Many foreign regulatory bodies have similar approval requirements.

In addition, such foreign trials will be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. There can be no assurance that the FDA or any applicable foreign regulatory authority will accept data from trials conducted outside of the United States. If the FDA or any applicable foreign regulatory authority does not accept such data, it would result in the need to conduct additional trials beyond those we have planned, which would be costly and time-consuming and delay aspects of our business plan, and which may result in our product candidates not receiving marketing approval for commercialization in the applicable jurisdiction.

Commercialization Risks

Our ability to grow revenues and execute on our long-term strategy depends heavily on our ability to discover, develop, and obtain marketing approval for our product candidates.

We currently have no products approved for commercial distribution. We have invested a significant portion of our efforts and financial resources in the development of our product candidates. Our business depends on the successful development and commercialization of our product candidates, which will require additional clinical and preclinical development, regulatory approval, commercial manufacturing arrangements, establishment of a commercial organization, significant marketing efforts, and further investment, which may never occur. Our ability to generate revenues is substantially dependent on our ability to develop, obtain

regulatory approval for, and then successfully commercialize our product candidates. Except for the revenues from previously sold products, we currently generate no revenues from sales of any products, and we may never be able to develop or commercialize a marketable product.

In order for us to achieve our long-term business objectives, we will need to successfully discover and/or develop and commercialize our product candidates. Although we have made, and expect to continue to make, significant investments in research and development, we have had only a limited number of our internally-discovered product candidates reach the clinical development stage. We currently have two clinical-stage candidates, mipletamig and ALG.APV-527, which were built on the ADAPTIR platform. Drug discovery and development is a complex, time-consuming and expensive process that is fraught with risk and a high rate of failure. Our product candidates are susceptible to the risks of failure inherent at any stage of product development, including the appearance of unexpected or unacceptable adverse events or failure to demonstrate efficacy in clinical trials. Failure to successfully discover and/or develop, obtain marketing approval for and commercialize additional products and product candidates would likely have a material adverse effect on our ability to grow revenues and improve our financial condition. If we are required to conduct additional clinical trials or other testing of our product candidates that we develop beyond those that we currently expect, if we are unable to successfully complete clinical trials of our product candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive, or if there are safety concerns, we may be delayed in obtaining marketing approval for our product candidates, not obtain marketing approval at all, obtain approval for limited indications or patient populations, with a label without claims necessary for us to successfully market our products, or with significant labeled warnings. We may also be subject to additional post-marketing testing requirements, surveillance requirements, or REMS. To the extent any of the foregoing should occur, our business may be materially harmed.

We may not be successful in our efforts to use and further develop our ADAPTIR or ADAPTIR-FLEX platforms.

A key element of our strategy is to expand our product pipeline of immuno-oncology candidates based on our ADAPTIR and ADAPTIR-FLEX platform technologies. We plan to select and create product candidates for early development, potentially with other collaborative partners. We expect to continue to develop the platform to address unmet medical needs through directed immune stimulatory and/or blockades in oncology and other therapeutic areas. Our goal is to leverage our technology to make targeted investment in monospecific, bispecific, and multi-specific ADAPTIR and ADAPTIR-FLEX therapeutics. Even if we are successful in continuing to build our pipeline, the potential product candidates that we identify may not be suitable for clinical development, including as a result of being shown to have harmful side effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval and achieve market acceptance. If we do not successfully develop and commercialize product candidates based on our ADAPTIR and ADAPTIR-FLEX platform technologies, our ability to obtain product revenues in future periods may be adversely affected, which likely would result in harm to our financial position and our financial prospects, and adversely affect our stock price.

We face and will continue to face substantial competition and our failure to effectively compete may prevent us from achieving significant market penetration for our product candidates, if approved.

The development and commercialization of new biotechnology products is highly competitive and subject to rapid technological advances. We may face future competition with respect to our current product candidates and any product candidates we may seek to develop or commercialize in the future obtained from other companies and governments, universities, and other non-profit research organizations. Our competitors may develop products that are safer, more effective, more convenient, or less costly than any products that we may develop or market, or may obtain marketing approval for their products from the FDA, or equivalent foreign regulatory bodies more rapidly than we may obtain approval for our product candidates. Our competitors may have greater resources and may devote greater resources to research and develop their products, research and development capabilities, adapt more quickly to new technologies, scientific advances or patient preferences and needs, initiate or withstand substantial price competition or macroeconomic impacts more successfully, or more effectively negotiate third-party licensing and collaborative arrangements.

We believe that our most significant competitors in the oncology market include: AbbVie Inc., Affimed, ALX Oncology Holdings Inc., Amgen Inc., Arcellx, AstraZeneca, AvenCell Therapeutics, Inc., BioNTech, Bio-Path, Bristol Myers Squibb, Cellectis, Creative Biolabs, Faron Pharma, F-star Therapeutics, Genentech Inc. (a subsidiary of F. Hoffmann-La Roche Ltd.), Genmab A/S, Gilead Sciences, Inc., GlaxoSmithKline plc, ImmunoGen, Inc., Johnson & Johnson, Lava Therapeutics, Macrogenics, Inc., Menarini Group, Molecular Partners, Novartis, Pfizer Inc., Pieris Pharmaceuticals, Inc., Regeneron Pharma, Sanofi-Aventis US LLC, Shattuck Labs, Syros Pharmaceuticals, Inc., Servier Laboratories, Xencor, Inc., and Zymeworks Biopharmaceuticals, Inc. Our competitors also include Chinese biotech companies with bispecific technologies and programs. We expect to compete on the basis of product efficacy, safety, ease of administration, price and economic value compared to drugs used in current practice or currently being developed. If we are not successful in demonstrating these attributes, physicians and other key healthcare decision makers may choose other products over any products we successfully develop, switch from our products to new products or choose to use our products only in limited circumstances, which could adversely affect our business, financial condition and results of operations.

Any of our product candidates, if approved, may become subject to unfavorable pricing regulations or third-party coverage and reimbursement policies, which would harm our business.

The success of our product candidates, if approved, will depend upon, among other things, their acceptance by physicians, patients, third-party payors, and other members of the medical community as a therapeutic and cost-effective alternative to competing products and treatments. If any of our product candidates do not achieve and maintain an adequate level of acceptance, we may not generate material revenues from sales of these products. The degree of market acceptance of our products will depend on a number of factors, including: our ability to provide acceptable evidence of safety and efficacy; the prevalence and severity of any side effects; availability, relative cost and relative efficacy of alternative and competing treatments; the ability to offer our products for sale at competitive prices; our ability to continuously supply the market without interruption; the relative convenience and ease of administration; the willingness of the target patient population to try new products and of physicians to prescribe these products; the strength of marketing and distribution support; publicity concerning our products or competing products and treatments; and the sufficiency of coverage or reimbursement by third parties.

Legislative or healthcare reform measures may have a material adverse effect on our business and results of operations.

In the United States, there have been and continue to be a number of legislative initiatives to contain healthcare costs. For example, in March 2010, the Patient Protection and Affordable Care Act ("ACA") was enacted, which substantially changed the way health care is financed by both governmental and private insurers, and significantly impacted the U.S. pharmaceutical industry. However, some provisions of the ACA have yet to be fully implemented and certain provisions have been subject to legal and political challenges, as well as efforts to repeal, replace delay, circumvent, or loosen certain aspects of the ACA or mandates required thereby. Additionally, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, it has enacted laws that modify certain provisions of the ACA, such as removing penalties as of January 1, 2019 for not complying with the ACA's individual mandate to carry health insurance, delaying the implementation of certain ACA-mandated fees, and increasing the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. It is unclear how other healthcare reform measures of the current administration or other efforts, if any, to challenge, repeal or replace the ACA will impact our business. In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted:

- On August 2, 2011, the Budget Control Act of 2011 among other things, included aggregate reductions of Medicare payments to providers of 2% per fiscal year. These reductions went into effect on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030, with the exception of a temporary suspension from May 1, 2020 through March 31, 2022 due to the COVID-19 pandemic. Following the temporary suspension, a 1% payment reduction occurred beginning April 1, 2022 through June 30, 2022, and the 2% payment reduction resumed on July 1, 2022.
- On May 30, 2018, the Right to Try Act, was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new drug products that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a pharmaceutical manufacturer to make its drug products available to eligible patients as a result of the Right to Try Act.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. On August 2, 2011, the Budget Control Act of 2011 among other things, created measures for spending reductions by Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions of Medicare payments to providers of 2 percent per fiscal year. These reductions went into effect on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional Congressional action is taken.

Additionally, there has been heightened governmental scrutiny recently over the manner in which manufacturers set prices for their marketed products. For example, there have been several recent Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products, including by tying reimbursement to the price of products in other developed countries. For example, proposals have been made to increase drug manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products, and reduce the out-of-pocket costs of drug products paid by consumers. Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Legislative and regulatory agendas, as they relate to the healthcare and pharmaceutical industries and the economy as a whole, of the current administration and the U.S. Congress currently remain uncertain. Any new laws and initiatives may result in additional reductions in Medicare and other healthcare funding, such as the proposed cap on CRO indirect cost reimbursements by the National Institute of Health ("NIH"), or impose additional regulatory requirements on drug development or approval, which could have a material adverse effect on our clinical trial sites that rely on collaborations with university hospitals and research institutions funded in whole or in part by NIH grants, our future customers and accordingly, our financial operations.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for any product candidates we successfully develop or additional pricing pressures.

Regulatory and Compliance Risks

Our long-term success depends, in part, upon our ability to develop, receive regulatory approval for and commercialize our product candidates.

Our product candidates and the activities associated with their development, including testing, manufacture, recordkeeping, storage, and approval, are subject to comprehensive regulation by the FDA and other regulatory agencies in the United States and by comparable authorities in other countries. Failure to obtain regulatory approval for a product candidate will prevent us from commercializing the product candidate. We have limited resources for use in preparing, filing, and supporting the applications necessary to gain regulatory approvals and expect to rely on third-party contract research organizations and consultants to assist us in this process.

The FDA and other comparable regulatory agencies in foreign countries impose substantial and rigorous requirements for the development, production, marketing authorization and commercial introduction of drug products. These requirements include non-clinical, laboratory and clinical testing procedures, sampling activities, clinical trials, and other costly and time-consuming procedures. In addition, regulation is not static, and regulatory authorities, including the FDA evolve in their staff interpretations and practices and may impose more stringent or different requirements than currently in effect, which may adversely affect our planned and ongoing drug development and/or our sales and marketing efforts.

In the United States, to obtain approval from the FDA to market any of our future biologic products, we will be required to submit a BLA to the FDA. Ordinarily, the FDA requires a sponsor to support a BLA with substantial evidence of the product's safety, purity, and potency in treating the targeted indication based on data derived from adequate and well-controlled clinical trials, including Phase 3 safety and efficacy trials conducted in patients with the disease or condition being targeted.

Developing and obtaining regulatory approval for product candidates is a lengthy process, often taking a number of years, is uncertain and expensive. All of the product candidates that we are developing, or may develop in the future, require research and development, non-clinical studies, non-clinical testing, and clinical trials prior to seeking regulatory approval, and commencing commercial sales. In addition, we may need to address a number of technological challenges in order to complete development of our product candidates. As a result, the development of product candidates may take longer than anticipated or not be successful at all.

Our product candidate development costs will also increase if we experience delays in testing or approvals, and we may not have sufficient funding to complete the testing and approval process for any of our product candidates. We may be required to obtain additional funds to complete clinical trials and prepare for possible commercialization of our product candidates. We do not know whether any non-clinical tests or clinical trials above what we currently have planned will be required, will begin as planned, will need to be restructured, or will be completed on schedule, or at all. Significant delays relating to any preclinical or clinical trials also could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do. This may prevent us from receiving marketing approvals and impair our ability to successfully commercialize our product candidates and may harm our business and results of operations. In addition, many of the factors that cause, or lead to, delays in clinical trials may ultimately lead to the denial of marketing approval of any of our product candidates. If any of this occurs, our business, financial condition, results of operations, and prospects will be materially harmed.

Generally, no product can receive FDA approval, marketing authorization from the European Commission or the competent authorities of the EU Member States, or approval from comparable regulatory agencies in foreign countries unless data generated in human clinical trials demonstrates both safety and efficacy for each target indication in accordance with such authority's standards.

The large majority of product candidates that begin human clinical trials fail to demonstrate the required safety and efficacy characteristics necessary for marketing approval. Failure to demonstrate the safety and efficacy of any of our product candidates for each target indication in clinical trials would prevent us from obtaining required approvals from regulatory authorities, which would prevent us from commercializing those product candidates. Negative or inconclusive results from the clinical trials or adverse medical events during the trials could lead to requirements that trials be repeated or extended, or that additional trials be conducted, any of which may not be clinically feasible or financially practicable, that the conduct of trials be suspended, or that a program be terminated.

Any regulatory approval we ultimately obtain may limit the indicated uses for the product or subject the product to restrictions or post-approval commitments that render the product commercially non-viable. Securing regulatory approval requires the submission of extensive non-clinical and clinical data, information about product manufacturing processes and inspection of facilities and supporting information to the regulatory authorities for each therapeutic indication to establish the product's safety and efficacy. If we are unable to submit the necessary data and information, for example, because the results of clinical trials are not favorable, or if the applicable regulatory authority delays reviewing or does not approve our applications, we will be unable to obtain regulatory approval.

Delays in obtaining or failure to obtain regulatory approvals may delay or prevent the successful commercialization of any of the products or product candidates in the jurisdiction for which approval is sought; diminish our competitive advantage; and defer or decrease our receipt of revenue.

Some of our product candidates previously in development experienced regulatory and/or clinical setbacks. Clinical development has been discontinued for product candidates otlertuzumab, APVO414, and APVO210. Both APVO414 and APVO210 were discontinued after patients developed ADA. Most recently, in 2019, we elected to discontinue the APVO210 development program following the review of data from the Phase 1 multiple ascending dose (MAD) clinical study of APVO210 in healthy volunteers that suggests that APVO210 would not meet the desired target product profile for future commercialization. Specifically, the clinical data showed evidence of increasing titers of ADA with repeated doses of APVO210, which had varying impact on APVO210 drug levels in subjects' blood. The cause of the ADA is uncertain; however, we believe that appearance of ADA is related to the mechanism of action of APVO210, and not due to the structure, or sequences characteristic of the ADAPTIR platform. Although we have re-designed certain components of the ADAPTIR platform based on what we have learned in prior clinical trials, there is no guarantee that the occurrence of ADA or other clinical setbacks will not occur in the development of our existing and future ADAPTIR product candidates.

The procedures to obtain marketing approvals vary among countries and can involve additional clinical trials or other pre-filing requirements. The time required to obtain foreign regulatory approval may differ from that required to obtain FDA approval. The foreign regulatory approval process may include all the risks associated with obtaining FDA approval, or different or additional risks. Regulatory agencies may have varying interpretations of the same data, and approval by one regulatory authority does not ensure approval by regulatory authorities in other jurisdictions. Accordingly, approval by the FDA does not ensure approval by the regulatory authorities in other countries, and approval by one foreign regulatory authority does not ensure approval by the FDA or regulatory authorities in other foreign countries. Failure to obtain regulatory approval in one jurisdiction, however, may impact the decision of other jurisdictions. We may not be able to file for regulatory approvals and may not receive necessary approvals to commercialize our products and products in development in any market on a timely basis, if at all.

Inadequate funding for the FDA, the SEC and other government agencies, including from government shutdown, evolving healthcare policies, or other disruptions to these agencies' operations, could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, the ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new product candidates to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. If a prolonged government shutdown occurs in the future, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

Our product candidates are and will continue to be subject to ongoing obligations and continued regulatory review, which may result in significant additional expense. We may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our products.

We and our product candidates are subject to extensive and ongoing requirements of and review by the FDA and other regulatory authorities, including requirements related to the conduct of clinical and non-clinical studies, manufacturing processes, post-approval clinical data, labeling, packaging, distribution, adverse event reporting, storage, recordkeeping, export, import, advertising, marketing, and promotional activities for such products. These requirements further include submissions of safety and other post-marketing information, including manufacturing deviations and reports, registration and listing requirements, the payment of annual fees, continued compliance with GMP-requirements relating to manufacturing, quality control, quality assurance, and corresponding maintenance of records and documents, and requirements regarding the distribution of samples to physicians. Manufacturers and manufacturers'

facilities are required to comply with extensive FDA, and comparable foreign regulatory authority requirements, including ensuring that quality control and manufacturing procedures conform to GMP requirements and applicable product tracking and tracing requirements.

FDA and comparable foreign regulatory authorities will continue to closely monitor the safety profile of any product even after approval. If the FDA or comparable foreign regulatory authorities become aware of new safety information after approval of any of our product candidates, they may, among other actions, withdraw approval, require labeling changes or establishment of a REMS or similar strategy, impose significant restrictions on a product's indicated uses or marketing, or impose ongoing requirements for potentially costly post-approval studies or post-market surveillance. Any such restrictions could limit sales of the product.

We and any of our collaborators could be subject to periodic unannounced inspections by the FDA to monitor and ensure compliance with GMPs and other FDA regulatory requirements. Application holders must further notify the FDA, and depending on the nature of the change, obtain FDA pre-approval for product and manufacturing changes. In addition, later discovery of previously unknown adverse events or that the product is less effective than previously thought or other problems with our products, manufacturers or manufacturing processes, or failure to comply with regulatory requirements both before and after approval, may yield various results, including:

- restrictions on manufacturing or distribution, or marketing of such products;
- modifications to promotional pieces and product labels;
- issuance of corrective information;
- requirements to conduct post-marketing studies or other clinical trials;
- clinical holds or termination of clinical trials;
- requirements to establish or modify a REMS or a similar strategy;
- changes to the way the product is administered;
- liability for harm caused to patients or subjects;
- reputational harm;
- the product becoming less competitive;
- warning, untitled, or cyber letters;
- suspension of marketing or withdrawal of the products from the market;
- regulatory authority issuance of safety alerts, Dear Healthcare Provider letters, press releases, or other communications containing warnings or other safety information about the product;
- refusal to approve pending applications or supplements to approved applications that we submit;
- recalls of products;
- fines, restitution or disgorgement of profits or revenues;
- suspension or withdrawal of marketing approvals;
- refusal to permit the import or export of our products;
- product seizure or detention;
- FDA debarment, suspension and debarment from government contracts, and refusal of orders under existing government contracts, exclusion from federal healthcare programs, consent decrees, or corporate integrity agreements; or
- injunctions or the imposition of civil or criminal penalties, including imprisonment.

Any of these events could prevent us from achieving or maintaining product approval and market acceptance of the particular product candidate, if approved, or could substantially increase the costs and expenses of developing and commercializing such product, which in turn could delay or prevent us from generating significant revenues from its sale. Any of these events could further have other material and adverse effects on our operations and business and could adversely impact our stock price and could significantly harm our business, financial condition, results of operations, and prospects.

The FDA's policies may change and additional government laws and regulations may be enacted that could prevent, limit, or delay regulatory approval of our product candidates, that could limit the marketability of our product candidates, or that could impose additional regulatory obligations on us. For example, the current administration may implement new or revised laws, regulatory requirements, and associated compliance obligations, as well as postponed or frozen regulatory requirements. Changes in medical

practice and standard of care may also impact the marketability of our product candidates. If we are slow or unable to adapt to changes in existing requirements, standards of care, or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and be subject to regulatory enforcement action.

Should any of the above actions take place, they could adversely affect our ability to achieve or sustain profitability. Further, the cost of compliance with post-approval regulations may have a negative effect on our operating results and financial condition.

If we fail to comply with foreign, federal, state, and local healthcare laws, including fraud and abuse and health information privacy and security laws, we could face substantial penalties and our business, results of operations, financial condition and prospects could be adversely affected.

As a biotechnology company, even though we do not provide healthcare services or receive payments directly from or bill directly to Medicare, Medicaid, or other third-party payors for our products, certain federal, state, local and foreign healthcare laws and regulations pertaining to fraud and abuse and patients' rights are applicable to our business. We are subject to healthcare fraud and abuse and patient privacy regulation by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

- the federal Anti-Kickback Statute makes it illegal for any person or entity, including a prescription drug manufacturer (or a party acting on its behalf) to knowingly and willfully solicit, receive, offer or pay remuneration, directly or indirectly, overtly or covertly, to induce, or in return for, either the referral of an individual, or the purchase, lease, prescribing or recommendation of an item, good, facility or service reimbursable by a federally funded healthcare program, such as the Medicare or Medicaid program. The term "remuneration" has been interpreted broadly and may constrain our marketing practices, educational programs, pricing policies and relationships with healthcare providers or other entities, among other activities;
- federal civil and criminal false claims, including the federal False Claims Act, and false statement laws and civil monetary penalty laws, which impose criminal and civil penalties, including through civil whistleblower or qui tam actions, on individuals or entities for, among other things, knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid or other federal health care programs that are false or fraudulent or knowingly making any materially false statement in connection with the delivery or payment for healthcare benefits, items or services;
- the U.S. federal Health Insurance Portability and Accountability Act of 1996, as amended, or HIPAA, which imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statement, in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the U.S. federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health ("HITECH") and their respective implementing regulations mandates, among other things, the adoption of uniform standards for the electronic exchange of information in common healthcare transactions, as well as standards relating to the privacy, security and transmission of individually identifiable health information, which require the adoption of administrative, physical and technical safeguards to protect such information. Among other things, HITECH makes HIPAA's security standards directly applicable to "business associates", or independent contractors or agents of covered entities that create, receive or obtain protected health information in connection with providing a service for or on behalf of a covered entity;

- the Physician Payments Sunshine Act and its implementing regulations, which requires certain manufacturers of drugs, biologics, medical devices and medical supplies for which payment is available under Medicare, Medicaid or the CMS, certain payments and transfers of value made to physicians and teaching hospitals, and ownership or investment interests held by physicians and their immediate family members. Effective January 1, 2022, applicable manufacturers are required to report information regarding payments and transfers of value provided to physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, and certified nurse-midwives; and,
- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws, which may apply to items or services reimbursed by any third-party payor, including commercial insurers; state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts; state, local and foreign laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, obtain pharmaceutical agent licensure, and/or otherwise restrict payments that may be made to healthcare providers and entities; and state, local and foreign laws and industry codes that require drug manufacturers to report information related to payments and other transfers of value to healthcare providers or entities, or marketing expenditures.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available under the U.S. federal Anti-Kickback Statute, it is possible that some of our business activities could be subject to challenge under one or more of such laws. Moreover, recent health care reform legislation has strengthened these laws. For example, the ACA, among other things, amends the intent requirement of the federal Anti-Kickback Statute and criminal health care fraud statutes, so that a person or entity no longer needs to have actual knowledge of the statute or specific intent to violate it. In addition, the ACA provides that the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act.

Recently, several pharmaceutical and other healthcare companies have been prosecuted under the federal false claims laws for allegedly inflating drug prices they report to pricing services, which in turn are used by the government to set Medicare and Medicaid reimbursement rates, and for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. In addition, certain marketing practices, including off-label promotion, interactions with specialty pharmacies, and patient assistance programs may also violate fraud and abuse laws. To the extent that any product we make is sold in a foreign country, we may be subject to similar foreign laws and regulations.

In addition, certain state and local laws mandate that we comply with a state code of conduct, adopt a company code of conduct under state criteria, disclose marketing payments made to health care professionals and entities, disclose drug pricing information and/or report compliance information to the state authorities. The shifting compliance environment and the need to build and maintain robust and expandable systems to comply in multiple jurisdictions with different compliance and reporting requirements increase the possibility that a pharmaceutical company may violate one or more of the requirements. Any failure to comply with these reporting requirements could result in significant fines and penalties.

The risks of complying with these laws cannot be entirely eliminated. The risk of violation of such laws is also increased because many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. Moreover, achieving and sustaining compliance with applicable federal, state, local and foreign privacy, security, fraud and transparency laws may prove costly. If our past or present operations, or those of our distributors are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to sanctions, including civil and administrative penalties, criminal fines, damages, disgorgement, exclusion from participation in U.S. federal or state health care programs, individual imprisonment, integrity obligations, and the curtailment or restructuring of our operations, any of which could materially adversely affect our ability to operate our business and our financial results. Similarly, if healthcare providers, distributors or other entities with whom we do business are found to be out of compliance with applicable laws and regulations, they may be subject to sanctions, which could also have a negative impact on us.

Our employees, independent contractors, consultants, commercial partners, principal investigators, or CROs may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on our business.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees, independent contractors, consultants, commercial partners, manufacturers, investigators, or CROs could include intentional, reckless, negligent, or unintentional failures to comply with FDA regulations or applicable fraud and abuse laws, provide accurate information to the FDA, properly calculate pricing information required by federal programs, comply with federal procurement rules or contract terms, report financial information or data accurately or disclose unauthorized activities to us. This misconduct could also involve the improper use or misrepresentation of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is

not always possible to identify and deter this type of misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Moreover, it is possible for a whistleblower to pursue a False Claims Act case against us even if the government considers the claim unmeritorious and declines to intervene, which could require us to incur costs defending against such a claim. Further, due to the risk that a judgment in a False Claims Act case could result in exclusion from federal health programs or debarment from government contracts, whistleblower cases often result in large settlements. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, financial condition, and results of operations, including the imposition of significant fines or other sanctions.

Our operations, including our use of hazardous materials, chemicals, bacteria, and viruses, require us to comply with regulatory requirements and expose us to significant potential liabilities.

Our operations involve the use of hazardous materials, including chemicals, and may produce dangerous waste products. Accordingly, we, along with the third parties that conduct clinical trials and manufacture our products and product candidates on our behalf, are subject to federal, state, local and foreign laws and regulations that govern the use, manufacture, distribution, storage, handling, exposure, disposal and recordkeeping with respect to these materials. We are also subject to a variety of environmental and occupational health and safety laws. Compliance with current or future laws and regulations can require significant costs and we could be subject to substantial fines and penalties in the event of noncompliance. In addition, the risk of contamination or injury from these materials cannot be completely eliminated. In such event, we could be held liable for substantial civil damages or costs associated with the cleanup of hazardous materials.

Our failure to comply with data protection laws and regulations could lead to government enforcement actions and significant penalties against us, and adversely impact our operating results.

EU Member States, Switzerland and other countries have adopted data protection laws and regulations, which impose significant compliance obligations. For example, European Union, or EU, member states and other foreign jurisdictions, including Switzerland, have adopted data protection laws and regulations which impose significant compliance obligations. Moreover, the collection and use of personal health data in the EU is now governed under the EU General Data Protection Regulation, or the GDPR, effective in May 2018. The GDPR, which is wide-ranging in scope, imposed several requirements relating to the consent of the individuals to whom the personal data relates, the information provided to the individuals, the security and confidentiality of the personal data, data breach notification and the use of third-party processors in connection with the processing of personal data. The GDPR also imposes strict rules on the transfer of personal data out of the EU to the U.S., provides an enforcement authority and imposes large penalties for noncompliance, including the potential for fines of up to €20 million or 4% of the annual global revenues of the noncompliant company, whichever is greater. The GDPR requirements apply not only to third-party transactions, but also to transfers of information between us and our subsidiaries, including employee information. The GDPR increases our responsibility and liability in relation to personal data that we process, including in clinical trials, and we may be required to put in place additional mechanisms to ensure compliance with the GDPR, which could divert management's attention and increase our cost of doing business. In addition, new regulation or legislative actions regarding data privacy and security (together with applicable industry standards) may increase our costs of doing business. However, despite our ongoing efforts, we may not be successful either due to various factors within our control, such as limited financial or human resources, or other factors outside our control. It is also possible that local data protection authorities may have different interpretations of the GDPR, leading to potential inconsistencies amongst various EU member states. Any failure or alleged failure (including as a result of deficiencies in our policies, procedures, or measures relating to privacy, data security, marketing, or communications) by us to comply with laws, regulations, policies, legal or contractual obligations, industry standards, or regulatory guidance relating to privacy or data security, may result in governmental investigations and enforcement actions, litigation, fines and penalties or adverse publicity. In addition, we expect that there will continue to be new proposed laws, regulations and industry standards relating to privacy and data protection in the United States, the EU and other jurisdictions, such as the California Consumer Privacy Act of 2018, which has been characterized as the first "GDPR-like" privacy statute to be enacted in the United States. Additionally, California voters approved another privacy law, the California Privacy Rights Act (the CPRA), in the November 2020 election. Effective starting on January 1, 2023, the CPRA significantly modified the CCPA, including by expanding consumers' rights with respect to certain sensitive personal information. In addition, private right of action claims and litigation related to website privacy are evolving under existing laws in California such as the California Invasion of Privacy Act. There are many other state-based data privacy and security laws and regulations that may impact our business, including Montana Consumer Data Privacy Act, Oregon Consumer Privacy Act, and the Texas Data Privacy and Security Act that became effective in 2025. We cannot determine the impact such future laws, regulations and standards may have on our business.

If we experience a significant disruption in our information technology systems or breaches of data security, including due to a cybersecurity incident, our business could be adversely affected.

We rely on information technology systems to keep financial records, capture laboratory data, maintain clinical trial data and corporate records, communicate with staff and external parties and operate other critical functions. Our information technology systems are subject to a variety of prevalent and evolving threats, including but not limited to social-engineering attacks (including through deep fakes and the use of Artificial Intelligence (AI), which may be increasingly more difficult to identify as fake, and phishing attacks), malware, personnel misconduct or error, ransomware attacks, supply-chain attacks, attacks enhanced or facilitated by AI, and other similar threats. The use of AI by us or our vendors may also introduce additional risks, such as inadvertent disclosure of confidential information through generative AI tools or compromise of AI models and data, including manipulation and poisoning, which could further increase cybersecurity and data integrity risks. Remote work poses increased risks to our information technology systems and data, as our employees utilize network connections, computers and devices outside our premises or network.

We also face the challenge of promptly detecting and remediating any cybersecurity breaches. Our information technology systems security measures are focused on the prevention, detection and remediation of damage from computer viruses, unauthorized access, cyber-attack and other similar disruptions. However, our information technology systems protection measures may not be successful in preventing unauthorized access, intrusion and damage. Threats to our systems can derive from human error, fraud or malice on the part of employees or third parties, including computer hackers, encryption by ransomware, or may result from technological failure.

If we were to experience a prolonged system disruption in our information technology systems or those of certain of our vendors, it could delay or negatively impact our development and commercialization of our product candidates, which could adversely impact our business. If operations at our facilities were disrupted, it may cause a material disruption in our business if we are not capable of restoring function on an acceptable timeframe.

In addition, as discussed above, our information technology systems are potentially vulnerable to data security breaches—whether by employees or others, intentionally or unintentionally—which may expose sensitive or personal data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, vendors and others, any of which could have a material adverse effect on our business, financial condition and results of operations.

Moreover, a security breach or privacy violation that leads to destruction, loss, alteration, unauthorized use or access, disclosure or modification of, personally identifiable information or personal data, could harm our reputation, compel us to comply with federal, state and/or international breach notification laws, subject us to mandatory corrective or regulatory action, require us to verify the correctness of database contents and otherwise subject us to liability under laws and regulations that protect personal data, including the GDPR and the California Consumer Privacy Act of 2018, which could disrupt our business, result in increased costs or loss, and/or result in significant legal and financial exposure. In addition, a data security breach could result in loss of clinical trial data or damage to the integrity of that data.

If we are unable to implement and maintain adequate organizational and technical measures to prevent such security breaches or privacy violations, or to respond adequately in the event of a breach, our operations could be disrupted, and we may suffer loss of reputation, problems with regulatory authorities, financial loss and other negative consequences. In addition, these breaches and other inappropriate access can be difficult to detect, and any delay in identifying them may lead to increased harm of the type described above.

If a breach of our information technology systems or those of our key third-party vendors occurs, we may incur additional costs related to repairing or rebuilding our internal systems, complying with breach notification laws, defending legal claims or proceedings, responding to regulatory actions, incurring penalties, and paying damages. Moreover, it may be determined that as a result of such a breach there was a material weakness or significant deficiency in our internal controls or other failure of our control environment. If such a breach occurs, it may have a material adverse effect on our business, results of operations, and financial condition, and it may also negatively impact our reputation.

Intellectual Property Risks

If we are unable to protect our intellectual proprietary rights, our business could be harmed.

Our commercial success will depend, in large part, on our ability to obtain and maintain protection in the United States and other countries for the intellectual property covering or incorporated into our technology, products and product candidates. Obtaining and maintaining this protection is very costly. The patentability of technology in the biotechnology field generally is highly uncertain and involves complex legal and scientific questions. We cannot be certain that our patents and patent applications, including our own such as the use and application of our CD3 binding domain, a key component of our growing of CD3 engaging portfolio, and those that we

have rights through licenses from third parties, will adequately protect our intellectual property. Our success in protecting our intellectual property depends significantly on our ability to:

- obtain and maintain U.S. and foreign patents, that are meaningful to our products, including defending those patents against adverse claims;
- secure patent term extension for the patents covering our approved products;
- protect trade secrets;
- operate without infringing the proprietary rights of others; and,
- prevent others from infringing our proprietary rights.

We may not be able to obtain issued patents relating to our technology or product candidates. Even if issued, patents may inadvertently lapse or be challenged, narrowed, invalidated, or circumvented, which could limit our ability to stop competitors from marketing similar products or limit the duration of patent protection we may have for our product candidates. Further, patents may lapse prior to the regulatory approval of the underlying product in one or more territories. In the past, we have abandoned the prosecution and/or maintenance of patent applications related to patent families in the ordinary course of business. In the future, we may choose to abandon such prosecution and/or maintenance in a similar fashion. If these patent rights are later determined to be valuable or necessary to our business, our competitive position may be adversely affected. Changes in patent laws or administrative patent office rules or changes in interpretations of patent laws in the United States and in other countries may diminish the value of our intellectual property or narrow the scope of our patent protection, or result in costly defensive measures.

Patent and other intellectual property laws outside the United States are even more uncertain than in the United States and are continually undergoing review and revisions in many countries. Further, the laws of some foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States. For example, certain countries do not grant patent claims that are directed to business methods and processes. In addition, we may have to participate in additional opposition proceedings, like the proceedings described above, to determine the validity of our foreign patents or our competitors' foreign patents, which could result in substantial costs and diversion of our efforts.

Our collaborative partners and licensors may not adequately protect our intellectual property rights. These third parties may have the first right to maintain or defend intellectual property rights in which we have an interest and, although we may have the right to assume the maintenance and defense of such intellectual property rights if these third parties do not do so, our ability to maintain and defend such intellectual property rights may be compromised by the acts or omissions of these third parties.

The cost of litigation to uphold the validity of patents, once obtained, to prevent infringement or to otherwise protect or enforce our proprietary rights could be substantial and, from time to time, our patents are subject to patent office proceedings. Some of our competitors may be better able to sustain the costs of complex patent litigation because they may have substantially greater financial resources. Intellectual property lawsuits are expensive and unpredictable and would consume management's time and attention and other resources, even if the outcome were successful. In addition, there is a risk that a court would decide that our patents are not valid and that we do not have the right to stop the other party from using the inventions covered by or incorporating them. There is also a risk that, even if the validity of a patent were upheld, a court would refuse to stop the other party from using the invention(s), including on the grounds that its activities do not infringe the patent. If any of these events were to occur, our business, financial condition and operating results could be materially and adversely affected.

In addition to patent litigation, we may be a party to adversarial proceedings before the Patent Trial and Appeal Board ("PTAB") of the USPTO, or the Opposition Divisions of the European Patent Office ("EPO"). Potential proceedings before the PTAB include inter parties review proceedings, post-grant review proceedings and interference proceedings. Depending on our level of success at the PTAB and Opposition Divisions of the EPO, these proceedings could adversely impact our intellectual property rights with respect to our products and technology.

In addition, the U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. This combination of events has created uncertainty with respect to the value of patents, once obtained, and with regard to our ability to obtain patents in the future. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. Patent and intellectual property laws outside of the United States may also change and be uncertain.

Our patents, once obtained, also may not afford us protection against competitors with similar technology. Because patent applications in the United States and many foreign jurisdictions are typically not published until eighteen months after filing, or in some cases not at all, and because publications of discoveries in the scientific literature often lag behind actual discoveries, neither we nor our licensors can be certain that others have not filed or maintained patent applications for technology used by us or covered by our pending patent applications without our being aware of these applications.

We also will rely on current and future trademarks to establish and maintain recognized brands, including APTEVO THERAPEUTICS, APTEVO BIOTHERAPEUTICS, APTEVO RESEARCH AND DEVELOPMENT, the Aptevo logo, ADAPTIR, and ADAPTIR-FLEX in relevant jurisdictions. If we fail to acquire and protect such trademarks, our ability to market and sell our products, if approved for marketing, will be harmed. In addition, our current and future trademarks may be challenged, infringed, circumvented, declared generic, lapsed or determined to be infringing on or dilutive of other marks and we may not be able to protect our rights in these trademarks, which we need in order to build name recognition. Any of the foregoing could have a material and adverse effect on our business, financial condition and operating results.

If approved, our products regulated as biologics may face competition from biosimilars approved through an abbreviated regulatory pathway.

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively, the ACA) includes a subtitle called the Biologics Price Competition and Innovation Act of 2009 ("BPCIA") which created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a BLA for the competing product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity, and potency of the other company's product. The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation, and meaning are subject to uncertainty. We believe that any of our product candidates approved as a biological product under a BLA should qualify for the 12-year period of exclusivity. However, there is a risk that this exclusivity could be shortened due to congressional action or otherwise, or that the FDA will not consider our investigational medicines to be reference products for competing products, potentially creating the opportunity for generic competition sooner than anticipated. Other aspects of the BPCIA, some of which may impact the BPCIA exclusivity provisions, have also been the subject of recent litigation.

There is a similar abbreviated pathway for the approval of biosimilar products in the EU. Reference products in the EU benefit from an eight-year data exclusivity period during which the data included in the dossier for the reference product may not be referenced for the purposes of an abbreviated biosimilar application. Following the expiration of the data exclusivity period, there is an additional two-year period of market exclusivity during which a biosimilar marketing authorization application can be submitted, and the innovator's data may be referenced, but no product can be placed on the market until the expiration of such period. The overall 10-year period can be extended to a maximum of 11 years in certain circumstances. As in the U.S., there is no guarantee that a product will qualify for the prescribed period of exclusivity and, even if a product does qualify, another company may market a competing version of the reference product if such company obtained a marketing authorization with a complete independent data package of pharmaceutical tests, preclinical tests and clinical trials.

Moreover, the extent to which a biosimilar, once licensed, will be substituted for any one of our reference products in a way that is similar to traditional generic substitution for non-biological products, and will depend on a number of marketplace and regulatory factors that are still developing. If competitors are able to obtain marketing approval for biosimilars referencing any of our products, if approved, our products may become subject to competition from such biosimilars, which would impair our ability to successfully commercialize and generate revenues from sales of such products.

Third parties may choose to file patent infringement claims against us.

Our development and commercialization activities, as well as any product candidates or products resulting from these activities, may infringe or be claimed to infringe patents and other intellectual property rights of third parties under which we do not hold sufficient licenses or other rights. Third parties may be successful in obtaining patent protection for technologies that cover development and commercialization activities in which we are already engaged. These third parties may have substantially greater financial resources than us and could bring claims against us that could cause us to incur substantial expenses to defend against these claims and, if successful against us, could cause us to pay substantial damages. If a patent infringement or other similar suit were brought against us, we could be forced to stop or delay development, manufacturing or sales of the product or product candidate that is the subject of the suit. Intellectual property litigation in the biotechnology industry is common, and we expect this trend to continue.

As a result of patent infringement or other similar claims, or to avoid potential claims, we may choose or be required to seek a license from the third-party and be required to pay license fees or royalties or both. These licenses may not be available on acceptable terms, or at all. Even if we were able to obtain a license, the rights may be non-exclusive, which could result in our competitors gaining access to the same intellectual property. Ultimately, we could be prevented from commercializing a product, or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, we are unable to enter into licenses on acceptable terms, if at all, or if an injunction is granted against us, which could harm our business significantly.

There has been substantial litigation and other proceedings regarding patent and other intellectual property rights in the pharmaceutical and biotechnology industries. In addition to infringement claims against us, we may become a party to other patent litigation and other adversarial proceedings such as proceedings before the Patent Trial Appeals Board and opposition proceedings in the European Patent Office, regarding intellectual property rights that could impact our products and technology.

Patent litigation and other proceedings may also absorb significant management time. The cost to us of any patent litigation or other proceeding, even if resolved in our favor, could be substantial. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their substantially greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

Our Aptevo trademarks may be opposed which could have a material and adverse effect on our business.

We have an application pending that covers the APTEVO THERAPEUTICS trademark and received a notice of allowance in September 2022 from the USPTO for the APTEVO BIOTHERAPEUTICS and APTEVO RESEARCH AND DEVELOPMENT trademarks. We refer to these trademarks as our house marks. If a third-party opposes any of these house marks and we are unable to reach settlement prior to the commencement of an opposition proceeding, we may incur significant expense in the course of participating in the opposition process, which can be expensive and lengthy. Any settlement with a third-party may result in our agreeing to be subject to restrictions on our use of the relevant house mark. In addition, if we are unsuccessful in an opposition against a house mark, we would lose the ability to obtain trademark registration for one or more uses of the relevant mark both in the United States and in other territories which could have a material and adverse effect on our business.

We may be subject to claims that our employees have wrongfully used or disclosed alleged trade secrets of their former employers.

As is common in the biotechnology and pharmaceutical industry, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that these employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

Failure to comply with our obligations in our intellectual property licenses with third parties, could result in loss of license rights or other damages.

We are a party to a number of license agreements and expect to enter into additional license agreements in the future. Our existing licenses impose, and we expect future licenses will impose, various diligence, milestone payment, royalty, insurance, and other obligations on us. If we fail to comply with these obligations, the licensor may have the right to terminate the license in whole or in part, terminate the exclusive nature of the license and/or sue us for breach, which could cause us to not be able to market any product that is covered by the licensed patents and may be subject to damages.

If we are unable to protect the confidentiality of our proprietary information and know-how, the value of our technology and product candidates could be adversely affected.

In addition to patented technology, we rely upon unpatented proprietary technology, information processes and know-how. These types of trade secrets can be difficult to protect. We seek to protect this confidential information, in part, through agreements with our employees, consultants and third parties as well as confidentiality policies and audits, although these may not be successful in protecting our trade secrets and confidential information. These agreements may be breached, and we may not have adequate remedies for any such breach. In addition, our trade secrets may otherwise become known, including through a potential cyber security breach, or may be independently developed by competitors. If we are unable to protect the confidentiality of our proprietary information and know-how, competitors may be able to use this information to develop products that compete with our products, which could adversely impact our business.

Risks Related to Collaborations and Other Transactions

We may not be successful in establishing and maintaining collaborations and entering into other transactions that leverage our capabilities in pursuit of developing and commercializing our product candidates and any such collaborations and transactions, if any, could result in financial results that differ from market expectations.

For each of our product candidates we plan to evaluate the merits of entering into collaboration arrangements with third parties, including leading biotechnology companies or non-governmental organizations. In July 2017, we entered into the Alligator Collaboration Agreement pursuant to which Aptevo R&D and Alligator have been collaboratively developing ALG.APV-527, a first-in-class bispecific antibody candidate simultaneously targeting 4-1BB (CD137), a member of the TNFR superfamily of a co-stimulatory receptor found on activated T cells, and 5T4, a tumor antigen widely overexpressed in a number of different types of cancer. On May

25, 2026, we entered into the Niowave Collaboration Agreement to develop radiopharmaceutical product candidates combining our proprietary molecules with Niowave's radioisotopes. We intend to pursue collaboration arrangements with third parties that have particular technology, expertise or resources for the development or commercialization of our product candidates or for accessing particular markets. We face, and will continue to face, significant competition in seeking appropriate partners for our product candidates. If we are unable to identify partners whose capabilities complement and integrate well with ours and reach collaboration arrangements with such partners on a timely basis, on acceptable terms or at all, or if the arrangements we establish are unproductive for us, we may fail to meet our business objectives for the particular product candidate. Our ability to enter into such arrangements with respect to products in development that are subject to licenses may be limited by the terms of those licenses.

Our collaboration agreements with Alligator, Niowave, or any collaboration agreement we may consider entering into, may not be successful and the success of our collaboration arrangements will depend heavily on the efforts and activities of our collaborative partners. It is likely that our collaborative partners will have significant discretion in determining the efforts and resources that they will apply to these collaborations.

The risks that we are subject to in any of our collaborations include, among others:

- our collaborative partners may not commit adequate resources to the development, marketing and distribution of any collaboration products, limiting our potential revenues from these products;
- our collaborative partners may experience financial difficulties and may therefore be unable to meet their commitments to us;
- our collaborative partners supporting our radiopharmaceutical programs may expose us to risks related to the availability, production, and timely delivery of radioisotopes, including materials with short half-lives, and any disruption in supply or coordination could delay our development activities or increase costs;
- our collaborative partners may pursue a competing product candidate developed either independently or in collaboration with others, including our competitors; and,
- our collaborative partners may opt out of or terminate our relationship.

The failure of any of our current or future collaboration partners to perform as expected could place us at a competitive disadvantage and adversely affect us financially, including delay and increased costs of development, loss of market opportunities, lower than expected revenues and impairment of the value of the related product candidate. A loss of our collaboration agreements with Alligator and Niowave would result in a burden of locating a replacement partner under potentially less favorable terms at an additional cost. Collaborations are a critical part of our business strategy, and any inability on our part to establish and successfully maintain such arrangements on terms favorable to us or to work successfully with our collaborative partners could have an adverse effect on our operations and financial performance. Due to the macroeconomic factors, we may experience delays in opportunities to develop our product candidates, due to financial and other impacts on potential partners.

In addition, in the normal course of business, the Company engages in discussions with third parties regarding possible strategic alliances, joint ventures, acquisitions, divestitures and business combinations to further develop or commercialize our product candidates. As a result of such transactions, our financial results may differ from our own or the investment community's expectations in a given fiscal quarter or over the long term. Furthermore, efforts to engage in such transactions require varying levels of management resources, which may divert the Company's attention from other business operations. Any transactions we engage in could result in our financial results differing materially from market expectations.

Risks Related to Our Common Stock and General Risks

Our stock price is and may continue to be volatile.

Our stock price has fluctuated in the past and is likely to be volatile in the future. The stock market in general, and the market for biotechnology companies in particular, have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. In particular, the stock market has experienced extreme volatility in recent months as a result of the geopolitical tension or political events, including the impact from the results of the war in Ukraine and Iran, the conflict in the Middle East and potential U.S. federal government shutdown, and macroeconomic conditions, including rising and fluctuating inflation, reduced consumer confidence, evolving healthcare policies and changing economic policies, such as tariffs. The market price of our common stock may fluctuate significantly due to a number of factors, some of which may be beyond our control or unrelated to our operations, including, among others:

- investor perceptions or negative announcements by our competitors, suppliers, or partners regarding their own performance;
- the success of competitive products or technologies;
- the timing, expenses, and results of clinical and preclinical trials of our product candidates;

- announcements regarding clinical trial results and product introductions by us or our competitors;
- announcements of acquisitions, collaborations, financings or other transactions by us or our competitors;
- public concern as to the safety of our product candidates;
- termination or delay of a development program;
- the recruitment or departure of key personnel;
- actual or anticipated variations in our cash flows or results of operations;
- the operating and stock price performance of comparable companies;
- general industry and macroeconomic conditions, including domestic and global financial, economic, and geopolitical instability as well as political events such as a U.S. federal government shutdown, evolving healthcare policies, ongoing conflicts in Europe and the Middle East and military actions;
- changes in earnings estimated by securities analysts or management, or our ability to meet those estimates;
- technical factors in the public trading market for our stock that may produce price movements that may or may not comport with macro, industry or company-specific fundamentals, including, without limitation, the sentiment of retail investors (including as may be expressed on financial trading and other social media sites) and the amount and status of short interest in our common stock;
- our ability to continue as a going concern;
- estimated or actual sales of IXINITY by Medexus; and
- the other factors described in this "Risk Factors" section.

Biotechnology company stock prices have declined significantly in certain instances where companies have failed to obtain FDA or foreign regulatory authority approval of a product candidate or if the timing of FDA or foreign regulatory authority approval is delayed. If the FDA's or any foreign regulatory authority's response to any application for approval is delayed or not favorable for any of our product candidates, our stock price could decline significantly.

In addition, when the market price of a company's common stock drops significantly, stockholders often institute securities class action lawsuits against the company. A lawsuit against us could cause us to incur substantial costs and could divert the time and attention of our management and other resources.

We have in the past and may in the future be subject to short selling strategies that may drive down the market price of our common stock.

Short sellers have in the past and may attempt in the future to drive down the market price of our common stock. Short selling is the practice of selling securities that the seller does not own but may have borrowed with the intention of buying identical securities back at a later date. The short seller hopes to profit from a decline in the value of the securities between the time the securities are borrowed and the time they are replaced. As it is in the short seller's best interests for the price of the stock to decline, many short sellers (sometimes known as "disclosed shorts") publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects to create negative market momentum. Although traditionally these disclosed shorts were limited in their ability to access mainstream business media or to otherwise create negative market rumors, the rise of the Internet and technological advancements regarding document creation, videotaping and publication by weblog (blogging) have allowed many disclosed shorts to publicly attack a company's credibility, strategy and veracity by means of so-called "research reports" that mimic the type of investment analysis performed by large Wall Street firms and independent research analysts. These short attacks have, in the past, led to selling of shares in the market. Further, these short seller publications are not regulated by any governmental, self-regulatory organization or other official authority in the U.S. and they are not subject to certification requirements imposed by the SEC. Accordingly, the opinions they express may be based on distortions, omissions or fabrications. Companies that are subject to unfavorable allegations, even if untrue, may have to expend a significant amount of resources to investigate such allegations and/or defend themselves, including shareholder suits against the company that may be prompted by such allegations. We may in the future be the subject of shareholder suits that we believe were prompted by allegations made by short sellers.

In the event that coverage under our directors' and officers' liability insurance is reduced or terminated as a result of an ownership change or otherwise, our indemnification obligations and limitations of our directors' and officers' liability insurance may have a material adverse effect on our financial condition, results of operations and cash flows.

Under Delaware law, our certificate of incorporation, and our by-laws and certain indemnification agreements to which we are a party, we have an obligation to indemnify, or we have otherwise agreed to indemnify, certain of our current and former directors and officers with respect to past, current, and future investigations and litigation. In order to reduce the risk of expense of these obligations, we maintain directors' and officers' liability insurance. A significant change in the Company's risk profile could increase the cost to us of our directors' and officers' liability insurance coverage or the coverage thereunder may be reduced or terminated in full. In the event that the coverage under our directors' and officers' liability insurance is reduced or terminated, we will be required to pay the expenses of indemnifying our current and former directors and officers in their defense of current and future investigations and litigation, which expenses may be significant. The increased costs to us of our directors' and officers' liability insurance coverage, or our indemnification obligations if our directors' and officers' liability insurance coverage is reduced or terminated, could result in the diversion of our financial resources, and may have a material adverse effect on our financial condition, results of operations and cash flows.

If we do not maintain effective internal controls, we may not be able to accurately report our financial results and our business could be harmed.

The Sarbanes-Oxley Act requires, among other things, that we assess the effectiveness of our internal control over financial reporting annually and the effectiveness of our disclosure controls and procedures quarterly. In particular, Section 404 of the Sarbanes-Oxley Act, or Section 404, requires us to perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on, and our independent registered public accounting firm potentially to attest to, the effectiveness of our internal control over financial reporting. In the past, we were an emerging growth company and we currently are a non-accelerated filer and have availed ourselves of the exemption from the requirement that our independent registered public accounting firm attest to the effectiveness of our internal control over financial reporting under Section 404. If we cease to be a non-accelerated filer and our independent registered public accounting firm is required to undertake an assessment of our internal control over financial reporting, the cost of our compliance with Section 404 will correspondingly increase. Our compliance with applicable provisions of Section 404 will require that we incur substantial accounting expense and expend significant management time on compliance-related issues as we implement additional corporate governance practices and comply with reporting requirements. Moreover, if we are not able to comply with the requirements of Section 404 applicable to us in a timely manner, or if we or our independent registered public accounting firm identifies deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our stock could decline and we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources.

Investor perceptions of our company may suffer if material weaknesses are found, and this could cause a decline in the market price of our common stock. Irrespective of compliance with Section 404, any failure of our internal control over financial reporting could harm our operating results and reputation. If we are unable to implement these requirements effectively or efficiently, it could harm our operations, financial reporting, or financial results and could result in an adverse opinion on our internal controls from our independent registered public accounting firm.

The public announcement of data from clinical trials or news of any developments related to our product pipeline may cause significant volatility in our stock price.

The announcement of data from clinical trials by us or our collaborative partners or news of any developments related to our key pipeline product candidates has in the past caused and may in the future cause significant volatility in our stock price. Furthermore, the announcement of any negative or unexpected data or the discontinuation of development of any of our key pipeline product candidates, or any delay in our anticipated timelines for filing for regulatory approval, could cause our stock price to decline significantly. There can be no assurance that data from clinical trials will support a filing for regulatory approval or even if approved, that any of our key pipeline products will become commercially successful.

Our efforts to develop radiopharmaceutical product candidates may expose us to additional development, manufacturing, supply chain, regulatory and safety risks.

We have limited experience developing radiopharmaceutical product candidates, which require access to specialized radioisotopes, manufacturing, quality control, radiation safety and distribution capabilities, and may be subject to oversight by multiple regulatory authorities. Limited isotope availability, short half-lives, transportation constraints, manufacturing or quality issues, or delays in release testing or administration could delay or prevent preclinical studies, clinical trials or commercialization of any radiopharmaceutical product candidates that may result from our collaboration. If we or our collaborator is unable to address these risks, our development timelines, business prospects, financial condition and results of operations could be adversely affected.

Our common stock may be at risk for delisting from the Nasdaq Capital Market in the future if we do not maintain compliance with Nasdaq's continued listing requirements. Delisting could adversely affect the liquidity of our common stock and the market price of our common stock could decrease.

Our common stock is currently listed on the Nasdaq Capital Market LLC ("Nasdaq") and on August 12, 2026, the sale price of our common stock on Nasdaq was $3.50 per share. On May 22, 2025, we received a letter from the Listing Qualifications Staff (the Staff) of Nasdaq indicating that, for the quarter ended March 31, 2025, we were not in compliance with Nasdaq Listing Rule 5550(b)(1) (the Stockholders' Equity Rule), which requires the Company to maintain a minimum of $2,500,000 in stockholders' equity for continued listing on Nasdaq. On July 1, 2025, we received a letter from the Staff confirming that we have regained compliance with the Stockholders' Rule. Our compliance with the Stockholders' Rule was evidenced by our Current Report on Form 8-K filed with the Securities and Exchange Commission on June 30, 2025, which reported that, during the quarterly period ended June 30, 2025, we raised approximately $15.9 million of additional equity capital. As of June 30, 2026, our stockholders' equity was $6.0 million as reported in this Quarterly Report on Form 10-Q and, we believe we are in compliance with the Stockholders' Equity Rule.

On December 29, 2025, we effected a reverse stock split of our common stock at the reverse split ratio of 1-for-18. Nasdaq requires that we maintain a minimum closing bid price of $1.00 per share, among other requirements. If the sale price of our common stock remains below $1.00 per share for 30 consecutive business days, the minimum closing bid price required by the continued listing requirements of Nasdaq Listing Rule 5550(a)(2) (the Bid Price Requirement), we would not be eligible for a 180-day cure period from Nasdaq to regain compliance with such requirement because we have conducted a reverse stock split in the past year and thus we would be subject to immediate delisting.

On July 22, 2026, the SEC approved Nasdaq's proposed rule change to adopt Nasdaq Listing Rules 5450(a)(3) and 5550(a)(6), which requires companies listed on the Nasdaq Global Select Market, Nasdaq Global Market and Nasdaq Capital Market to maintain a market value of listed securities of at least $5 million (the "Market Value Requirement"). As of the date hereof, a temporary stay has been put on the proposed rule change, and we are monitoring the effectiveness of the proposed rule change. We have in the past and may in the future fail to meet the Market Value Requirement. If our market value of listed securities falls below $5 million for 30 consecutive business days, Nasdaq may issue a Staff Delisting Determination, immediately suspend trading of our common stock and commence delisting proceedings. Unlike most Nasdaq continued listing deficiencies, this requirement does not provide for a compliance or cure period, and a request for review of a delisting determination generally would not automatically postpone the suspension of trading. The Hearing Panel may grant an exception of up to 180 days from the Staff Delisting Determination for a company to demonstrate that it satisfies all requirements for initial listing, a materially higher standard than the continued listing requirements. Although we could seek review of a delisting determination and appeal to the Nasdaq Listing and Hearing Review Council, our common stock would remain suspended from Nasdaq trading during that process and would generally trade in the over-the-counter market, which may significantly reduce the liquidity and market price of our common stock, limit our ability to raise additional capital, result in a loss of confidence by investors, suppliers, and employees and make our stock subject to "penny stock" rules, which impose additional burdens on broker-dealers and further restrict secondary market.

Your percentage of ownership in Aptevo may be diluted in the future.

In the future, your percentage ownership in Aptevo may be diluted because of equity issuances or securities convertible into equity for acquisitions, capital market transactions or otherwise, including, but not limited to, equity issuances under the ATM Agreement, the First SEPA, the Second SEPA, the Rights Agreement (as defined below) with Broadridge Corporate Issuer Solutions, Inc., upon the exercise of warrants issued in connection with our 2023, 2024 and 2025 registered offerings and equity awards to our directors, officers and employees. Our employees have options to purchase shares of our common stock and from time to time, we expect to issue additional options, restricted stock units, or other stock-based awards to our employees under our employee benefits plans.

In addition, our restated certificate of incorporation authorizes us to issue, without the approval of our stockholders, one or more classes or series of preferred stock having such designation, powers, preferences and relative, participating, optional and other special rights, including preferences over our common stock respecting dividends and distributions, as our board of directors generally may determine. The terms of one or more classes or series of preferred stock could dilute the voting power or reduce the value of our common stock. For example, we could grant the holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we could assign to holders of preferred stock could affect the residual value of the common stock.

Provisions under Delaware law and in our restated certificate of incorporation, amended and restated by-laws and rights agreement may discourage acquisition proposals, delay a change in control or prevent transactions that stockholders may consider favorable.

Certain provisions in our restated certificate of incorporation and amended and restated by-laws, and under Delaware law, may discourage, delay, or prevent a merger, acquisition or other changes in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions may also prevent or frustrate attempts by our stockholders to replace or remove our incumbent directors and management.

These provisions include:

- the classification of our directors;
- limitations on the removal of directors;

- limitations on filling vacancies on the board;
- advance notice requirements for stockholder nominations of candidates for election to the Board of Directors and other proposals;
- the inability of stockholders to act by written consent;
- the inability of stockholders to call special meetings; and,
- the ability of our Board of Directors to designate the terms of and issue a new series of preferred stock without stockholder approval.

The affirmative vote of holders of our capital stock representing at least 75% of the voting power of all outstanding stock entitled to vote is required to amend or repeal the above provisions of our certificate of incorporation. The affirmative vote of either a majority of the directors present at a meeting of our Board of Directors or holders of our capital stock representing at least 75% of the voting power of all outstanding stock entitled to vote is required to amend or repeal our by-laws.

In addition, Section 203 of the General Corporation Law of Delaware prohibits a corporation from engaging in a business combination with an interested stockholder, generally a person which, together with its affiliates, owns or within the last three years has owned 15% or more of the corporation's voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. Accordingly, Section 203 may discourage, delay or prevent a change in control of us.

Moreover, we currently have a short-term stockholder Rights Agreement in effect. On October 30, 2025, we entered into amendment No. 5 to the Rights Agreement and extended the expiration of such agreement to October 29, 2026. This Rights Agreement could render more difficult, or discourage a merger, tender offer, or assumption of control of the Company that is not approved by our Board that some stockholders may consider favorable. The Rights Agreement, however, should not interfere with any merger, tender or exchange offer or other business combination approved by our Board. Nor does the Rights Agreement prevent our Board from considering any offer that it considers to be in the best interest of our stockholders.

Our by-laws include a forum selection clause, which may impact your ability to bring actions against us.

Subject to certain limitations, our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware will be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring: (a) any derivative action or proceeding brought on our behalf; (b) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees or our stockholders; (c) any action asserting a claim arising pursuant to any provision of the DGCL or our certificate of incorporation or by-laws; or (d) any action asserting a claim governed by the internal affairs doctrine. In addition, our bylaws provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the federal securities laws of the United States against us, our officers, directors, employees or underwriters. These limitations on the forum in which stockholders may initiate action against us could create costs, inconvenience or otherwise adversely affect your ability to seek legal redress.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, a court may decline to enforce these exclusive forum provisions with respect to suits brought to enforce any duty or liability created by the Securities Act or any other claim for which the federal and state courts have concurrent jurisdiction, and our stockholders may not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. If a court were to find the exclusive forum provisions to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions.

We may be subject to periodic litigation, which could result in losses or unexpected expenditure of time and resources.

From time to time, we may be called upon to defend ourselves against lawsuits relating to our business. Any litigation, regardless of its merits, could result in substantial costs and a diversion of management's attention and resources that are needed to successfully run our business. Due to the inherent uncertainties of litigation, we cannot accurately predict the ultimate outcome of any such proceedings. An unfavorable outcome in any such proceedings could have an adverse impact on our business, financial condition and results of operations. If our stock price is volatile, we may become involved in securities class action lawsuits in the future.

A significant portion of our shares may be sold into the market at any time which could depress our stock price.

If our stockholders sell a substantial number of shares of our common stock in the public market, our market price could decline. Any such sales or perception that such sales may occur could decrease the market price of our common stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

There were no unregistered sales of equity securities by the Company during the three months ended June 30, 2026, other than those reported in the Current Report on Form 8-K filed with the SEC on May 27, 2026.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

In the quarter ended June 30, 2026, none of the Company's directors or executive officers adopted, terminated or materially modified a plan for the purchase or sale of its securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or a non-Rule 10b5-1 trading arrangement for the purchase or sale of its securities, within the meaning of Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibit Index

Exhibit Number	Description
10.1*	Collaboration Agreement, by and between Aptevo Research and Development LLC and Niowave, Inc., dated May 25, 2026.
10.2*	Supply Agreement, by and between Aptevo Research and Development LLC and Niowave, Inc., dated May 25, 2026.
10.3*	Stock Purchase Agreement, by and between the Company and Niowave, Inc., dated May 25, 2026.
10.4*	Investor Rights Agreement, by and between the Company and Niowave, Inc., dated May 25, 2026.
10.5*†	Grant Award Agreement, by and between the Company and the Andy Hill Cancer Research Endowment (CARE) Fund, dated June 29, 2026.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.INS*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104*	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101)

* Filed herewith.

** Furnished herewith.

† Portions of this exhibit (indicated by [* * *]) have been omitted pursuant to Item 601(b)(10) because the Company has determined that the information is both (i) not material and (ii) of the type that the Company treats as private and confidential. The Company hereby undertakes to furnish supplemental copies of the unredacted exhibit upon request by the SEC.

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 thereunto duly authorized.

APTEVO THERAPEUTICS INC.

Date: August 14, 2026

By: /s/ Jeffrey G. Lamothe

Jeffrey G. Lamothe
President and Chief Executive Officer

Date: August 14, 2026

By: /s/ Daphne Taylor

Daphne Taylor
Senior Vice President and Chief Financial Officer

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) of the type that the Registrant treats as private and confidential.

Execution Version

Exhibit 10.1

COLLABORATION AGREEMENT

This Collaboration Agreement (this "**Agreement**") is entered into as of this 25th day of May, 2026 (the "**Effective Date**"), by and between Aptevo Research and Development LLC, a limited liability company existing under the laws of Delaware, having a place of business at 2401 4th Avenue, Suite 1050, Seattle, WA 98121 USA ("**Aptevo**"), and Niowave, Inc., a Michigan corporation, having a place of business at 1012 N. Walnut Street, Lansing, MI 48906 ("**Niowave**"). Each of Aptevo and Niowave may be referred to herein individually as a "**Party**" and collectively as the "**Parties**."

WHEREAS, Aptevo has developed certain proprietary molecules for therapeutic uses in humans;

WHEREAS, Niowave has developed certain proprietary radioisotopes for therapeutic uses in humans;

WHEREAS, the Parties desire to collaborate in a 50/50 cost and revenue sharing arrangement to develop products which combine Aptevo's proprietary molecules and Niowave's proprietary radioisotopes;

WHEREAS, the Parties are willing to commit specific resources and funds to support each Party's portion of the research and development activities described in a Development Plan (as defined herein), such activities to be performed by the Parties in collaboration under this Agreement.

NOW, **THEREFORE**, the Parties hereto, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS; INTERPRETATION

Whenever used in this Agreement with an initial capital letter, the terms defined in this Article 1, whether used in the singular or the plural, shall have the meanings specified below.

1.1"**Affiliate**" means, with respect to a person, organization or entity, any person, organization or entity controlling, controlled by or under common control with, such person, organization or entity. For purposes of this definition only, "control" of another person, organization or entity will mean the possession, directly or indirectly, of the power to direct or cause the direction of the activities, management or policies of such person, organization or entity, whether through the ownership of voting securities, by contract or otherwise. Without limiting the foregoing, control will be presumed to exist when a person, organization or entity (a) owns or directly controls fifty percent (50%) or more of the outstanding voting stock or other ownership interest of the other organization or entity, or (b) possesses, directly or indirectly, the power to elect or appoint fifty percent (50%) or more of the members of the governing body of the other organization or entity.

1.2“**Applicable Laws**” all relevant federal, state and local laws, statutes, rules, regulations, directives, decisions, ordinances, guidelines and other pronouncements of any Governmental Authority that are applicable to a Party’s activities or obligations hereunder.

1.3“**Aptevo Background IP**” means all intellectual property rights owned or Controlled by Aptevo on the Effective Date.

1.4“**Aptevo Know-How**” means all Know-How (other than the Joint Know-How) that is Controlled by Aptevo as of the Effective Date or at any time during the Term that is necessary or reasonably useful for the Development or Commercialization of the Product; provided that Aptevo Know-How shall not include Know-How related to the Aptevo Platform.

1.5“**Aptevo Molecules**” means the molecules provided by Aptevo in accordance with this Agreement.

1.6“**Aptevo Patent**” means any Patent that is Controlled by Aptevo that claims any invention or subject matter included in the Aptevo Know-How, including the Patents listed in Schedule 1.13.

1.7“**Aptevo Platform**” means technologies relating to (a) single chain polypeptides capable of dimerizing, wherein the dimerized molecule contains two or more antibody derived Binding Domains separated by an CH2 and CH3 immunoglobulin constant domain, and/or (b) single chain polypeptides comprising, from the amino-terminus to the carboxy-terminus, a first antibody derived variable chain region, an immunoglobulin hinge region, immunoglobulin CH2 and CH3 constant region, a linker and a second antibody derived variable domain region, *including,* for instance, the subject matter disclosed in patent publications WO 2007/146968 and WO 2011/090762; *provided, however,* that Aptevo Platform shall not include the Product or any other individual molecules.

1.8“**Aptevo Technology**” means Aptevo Patents and Aptevo Know-How.

1.9“**Binding Domain**” means the portion of a pharmaceutical or diagnostic product that binds to an antigen or a cell surface molecule, including a variable domain thereof.

1.10“**Change of Control**” means, with respect to either Party, the occurrence of any of the following after the Effective Date:

1.10.1 Any “person” or “group” (as such terms are defined below) (a) becomes the “beneficial owner” (as defined below), directly or indirectly, of shares or other interests (including partnership interests) of a Party then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the appointment or election of the directors, the managers, the members of the management board or the members of the supervisory board or similar positions (“**Voting Stock**”) of such Party representing fifty percent (50%) or more of the total voting power of all outstanding classes of Voting Stock of such Party or (b) has the power, directly or indirectly, to elect a majority of the members of such Party’s directors, managers, management board, supervisory board, or similar governing body (“**Board of Directors**”); or

1.10.2A Party enters into a merger, consolidation or similar transaction with another Person (whether or not such Party is the surviving entity) and as a result of such merger, consolidation or similar transaction (a) the members of a Board of Directors of such Party immediately prior to such transaction, immediately following such transaction, (i) constitute less than a majority of the members of a Board of Directors of such surviving Person or (ii) do not jointly hold a majority of the voting power within the Board of Directors or (b) the Persons that beneficially owned, directly or indirectly, the shares of Voting Stock of such Party immediately prior to such transaction cease to beneficially own, directly or indirectly, shares of Voting Stock of such Party representing at least a majority of the total voting power of all outstanding classes of Voting Stock of the surviving Person in substantially the same proportions as their ownership of Voting Stock of such Party immediately prior to such transaction; or

1.10.3A Party sells or transfers to any Third Party, in one or more related transactions, properties or assets representing all or substantially all of such Party's assets to which this Agreement relates; or

1.10.4 The general meeting of shareholders of a Party adopt a resolution or the holders of shares or other interests of a Party approve a proposal, as applicable, for the dissolution of such Party or for the approval of a resolutions or a plan, as applicable, resulting in the liquidation of all or substantially all of such Party's assets.

1.10.5 For the purpose of this definition of Change of Control, (a) "person" and "group" have the meanings given such terms under Section 13(d) and 14(d) of the United States Securities Exchange Act of 1934 and the term "group" includes any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the said Act; (b) a "beneficial owner" shall be determined in accordance with Rule 13d-3 under the aforesaid Act; and (c) the terms "beneficially owned" and "beneficially own" shall have meanings correlative to that of "beneficial owner."

1.11"**Clinical Trial**" means human clinical studies in which the Product is administered or otherwise evaluated in humans, including investigator-initiated human clinical studies funded or otherwise supported by either Party or both Parties. The term "Clinical Trial" includes Phase I Clinical Trials (including Phase IA and IB Clinical Trials) and Phase II Clinical Trials, as the context requires.

1.12"**CMC Information**" means information or data contained in, the drug master files or the chemistry, manufacturing and control ("**CMC**") section (or equivalent thereof) of any Regulatory Materials for the Product, or in any IND, and includes any other similar data or information.

1.13"**Commercialize**", "**Commercializing**" or "**Commercialization**" means all activities covering the marketing, promotion, selling or offering for sale of a Product for an indication, including planning, market research, pre-marketing, advertising, educating, marketing, promoting, importing, exporting, distributing and post-marketing safety surveillance and reporting and medical affairs activities. For clarity, the term "Commercialization" shall not include any activities covering Development of the Product.

1.14"**Commercially Reasonable Efforts**" means, with respect to a Party's obligations under this Agreement, those efforts and resources consistent with the usual practices of similarly situated companies in the pharmaceutical, biopharmaceutical and biotechnology industry (but not less than the efforts and resources used by the applicable Party), in each case in pursuing the development, commercialization or manufacture of its own pharmaceutical products that are of similar market potential as a Product, taking into account all relevant factors including product labeling or anticipated labeling, present and future market potential, past performance of such Product, financial return, medical and clinical considerations, present and future regulatory environment and competitive market conditions, all as measured by the facts and circumstances at the time such efforts are due. Commercially Reasonable Efforts shall be determined on a market-by-market basis for a particular Product, and it is anticipated that the level of effort will be different for different markets.

1.15"**Control**" means, when used in reference to intellectual property (including Patents and Know-How), Confidential Information, other intangible property, or materials, that a Party owns or has a license or sublicense to such intellectual property (including Patents and Know-How), and has the ability to grant access, a license or sublicense, or other right to use such intellectual property without requiring the consent of a Third Party or violating the terms of any agreement or other arrangement with any Third Party.

1.16"**Completion**" means, with respect to a particular Clinical Trial for the Product, that the last patient has received the last planned dose of the Product in accordance with the protocol and the top-line data is available (i.e., efficacy and safety tables and listings have been generated by from clean data sets).

1.17"**Develop**," "**Developing**" or "**Development**" means all activities covering research, non-clinical, preclinical and clinical trials, toxicology testing, manufacturing development, formulation development, statistical analysis and reporting, preparation and submission of applications (including CMC Information) for Regulatory Approvals of the Product, that are necessary or reasonably useful or requested or required by a Regulatory Authority as a condition or in support of obtaining or maintaining all Regulatory Approvals for the Product. For clarity, the term "Development" shall not include any activities covering Commercialization or Manufacture.

1.18"**Development Activities**" means Development activities which are jointly funded by the Parties and that are conducted by or on behalf of a Party with respect to the Product consistent with the Development Plan.

1.19"**Development Costs**" means the actual costs and expenses, including internal and out-of-pocket costs and expenses, that are incurred by or on behalf of a Party or any Affiliates of a Party in conducting the Development Activities in accordance with the Development Plan, which costs and expenses are directly attributable to, or reasonably allocable to, Development Activities of the Product or to manufacturing of the Product for Development purposes, including without limitation (a) the internal costs incurred by a Party in connection with the performance of Development Activities, excluding corporate management (as opposed to project management) time and costs, which shall be determined by multiplying the applicable FTE Rate by the number of FTEs utilized to conduct such Development Activities, (b) any out-of-pocket expenses incurred

in Prosecuting the Joint Patents, (c) any out-of-pocket expenses incurred in the preparation or filing of Regulatory Materials, (d) the actual amounts paid to one or more Third Parties for performance of Development Activities and/or for obtaining supplies of raw materials or intermediates for the conduct of Development, (e) out-of-pocket fees and expenses incurred in connection with and (e) the Development Costs expressly identified as such in this Agreement, and (f) costs of liability insurance for the conduct of Clinical Trials under the Development Plan obtained and maintained in accordance with Section 2.8.1. For clarity, Development Costs do not include an allocation of overhead (including electricity, water, telephone line rental, gas or oil), service costs or costs of general administration.

1.20"**Development Data**" means all non-clinical, clinical, technical, chemical, safety, and scientific data and information and other results, including relevant laboratory notebook information, screening data, Regulatory Data, and synthesis schemes, including descriptions in any form, generated by or resulting from the conduct of Development Activities.

1.21"**Development Period**" means the period commencing on the Effective Date and ending upon the conclusion of all activities under the Development Plan.

1.22"**Development Plan**" means the written development plan for the Product that includes a GANTT chart, the CMC Plan, the Clinical Plan and the corresponding budgets, in each case, to be appended hereto as Schedule 1.22, as the same may be amended and/or restated from time to time pursuant to the terms of this Agreement, and which shall set forth (a) the research and development activities to be performed by each Party during the Development Period, (b) the key stages in Development that will be used to evaluate advancement to the next stage of such development plan, and (c) the Development Budget and estimated timelines and costs for the Development Activities.

1.23"**Dollar**" and "**$**" means United States dollars.

1.24"**FDA**" means the U.S. Food and Drug Administration and any successor agency thereof.

1.25"**FFDCA**" means the U.S. Federal Food, Drug and Cosmetics Act and the regulations promulgated thereunder (21 C.F.R. 312.1 *et seq*).

1.26"**Field**" means the oncology field, including therapeutic, palliative, prophylactic, diagnostic and research use, in human and animals.

1.27"**FTE**" means the equivalent of scientific, medical or technical, but for the avoidance of doubt not including financial, legal, marketing or business development, unless otherwise decided by the Steering Committee, work of one (1) person, directly and specifically conducting Development Activities, full time for one (1) year, which equates to a total of 2000 hours annually. For the avoidance of doubt, such work may include, where appropriate, conducting or directing experimental research or other laboratory work, recording and writing up results, reviewing relevant scientific literature and references, and holding scientific discussions.

1.28"**FTE Rate**" means an hourly rate of (i) $140 per FTE in the event that the relevant FTE is a member of the management team (e.g., director level or above) of a Party and (ii) $70

with respect to any other FTE, subject to increase on an annual basis proportional to the annual increase in the Consumer Price Index. For clarity, the FTE Rate in intended to be a fully-burdened rate and is intended to cover all costs of an individual FTE in a given year, including employee salaries, employee specific benefits, routine laboratory materials and travel costs associated with the performance of Development Activities, unless otherwise explicitly set forth in this Agreement (e.g. expenses of Steering Committee members' participation in the Steering Committee meetings, as set forth in Section 3.2).

1.29"**GAAP**" means generally accepted accounting principles.

1.30"**Governmental Authority**" means any multinational, federal, state, local, municipal or other governmental authority of any nature (including any governmental association, division, prefecture, subdivision, department, agency, bureau, branch, office, commission, committee, council, court or other tribunal, such as statutory health insurance funds and their associations), in each case having jurisdiction over the applicable subject matter.

1.31"**IND**" means an Investigational New Drug application, including any amendment or supplement thereto, filed with the FDA pursuant to 21 U.S.C. § 355 and 21 C.F.R. Part 312 (or any successor provisions), seeking authorization to conduct a Clinical Trial with respect to a Product.

1.32"**Joint Know-How**" means any Know-How conceived, generated or otherwise made during the course of conducting Development Activities, whether by employees, consultants or contractors of either Party (or both Parties) or their respective Affiliates or licensees, *including* Development Data; provided that Joint Know-How shall not include (a) Know-How related to the Aptevo Platform (the "**Aptevo Platform Know-How**") (b) Know-How related to the Niowave Platform (the "**Niowave Platform Know-How**") or (c) Know-How conceived, developed or reduced to practice solely by or on behalf of one Party (or its Affiliates or Licensees) not in connection with the Development Activities.

1.33"**Joint Patent**" means any Patent claiming an invention or subject matter included in Joint Know-How.

1.34"**Joint Technology**" means Joint Patents and Joint Know-How.

1.35"**Know-How**" means any data, results, material(s), technology and non-public information of any type whatsoever, in any tangible or intangible form, including know-how, trade secrets, practices, techniques, methods, processes, inventions, developments, specifications, formulations, formulae, compositions of matter of any type (patentable or otherwise), software, algorithms, marketing reports and plans, market research, test data (including pharmacological, biological, chemical, biochemical, toxicological, preclinical and clinical test data), analytical and quality control data, stability data, other study data and procedures.

1.36"**Net Sales**" means with respect to any period, the gross amounts invoiced by or on behalf of a Continuing Party or its Affiliates (a "**Selling Party**"), as applicable, to unrelated Third Parties for sales of the Product in the Field in the Territory, less the following deductions to the extent included in the gross invoiced sales price for the Product or otherwise directly paid or incurred by a Selling Party with respect to the sale of the Product: (a) trade, quantity or cash

discounts, credits, adjustments or allowances, including those granted on account of price adjustments, billing errors, rejected goods, or damaged goods; (b) rebates and chargebacks allowed, given or accrued (including cash, governmental and managed care rebates, hospital or other buying group chargebacks, and governmental taxes in the nature of a rebate based on usage levels or sales of the Product); (c) sales, excise, turnover, inventory, value-added, and similar taxes assessed on the sale of the Product; (d) bad debts actually written off and attributable to sales of Product; (e) freight and insurance charges, if separately included in the amounts invoiced; and (f) the portion of any management or administrative fees paid during the relevant time period to group purchasing organizations, wholesalers and managed care organizations to the extent determined by sales or utilization of the Product. Net Sales will be determined in accordance with GAAP. Without limiting the generality of the foregoing, sales, transfers or dispositions of Product for charitable, promotional (including samples), pre-clinical, clinical, or regulatory purposes will be excluded from Net Sales. Sales of the Product between a Continuing Party and its Affiliates or its subcontractors (including distributors) for resale shall also be excluded from the computation of Net Sales, but the subsequent resale of the Product to an unrelated Third Party shall be included within the computation of Net Sales.

1.37"**Niowave Background IP**" means all intellectual property rights owned or Controlled by Niowave on the Effective Date.

1.38"**Niowave Know-How**" means all Know-How (other than Joint Know-How) that is Controlled by Niowave as of the Effective Date or at any time during the Term that is necessary or reasonably useful for the Development or Commercialization of the Product.

1.39"**Niowave Patent**" means any Patent that is Controlled by Niowave that claims any invention or subject matter included in the Niowave Know-How, including the Patents listed in Schedule 1.4.

1.40"**Niowave Platform**" means all technology, intellectual property, Know-How, methods, processes, systems, materials, data and proprietary rights owned or Controlled by Niowave or its Affiliates, whether existing before, during or after the Term, relating to:

(a) particle accelerators, accelerator-driven systems, beam delivery systems, irradiation systems and associated engineering, control and manufacturing technologies;

(b) isotope target materials, target design, target fabrication, target processing, target recovery and recycling technologies; and

(c) radiochemistry, radiochemical processing, isotope production, isotope separation, purification, extraction, handling, formulation, manufacturing and related process technologies.

The Niowave Platform includes all modifications, enhancements, derivatives, optimizations, scale-up methods, manufacturing improvements and other improvements to the foregoing, including any generally applicable technology or Know-How developed in connection with activities under this Agreement.

For clarity, the Niowave Platform excludes Joint Technology directed to the composition, formulation or therapeutic use of the specific Product developed under this Agreement.

1.41"**Niowave Radioisotopes**" means the radioisotopes provided by Niowave in accordance with this Agreement.

1.42"**Niowave Technology**" means the Niowave Patents and Niowave Know-How.

1.43"**NPV**" means the risk-adjusted, discounted net present value of the Revenue proposed to be paid by a potential Third Party Licensee (or, in the case of a Partner Offer, all payments proposed by the applicable Party to be paid to the other Party) during the first 10 years of such agreement, after taking into account all relevant factors.

1.44"**Patent**" means any patent (including any reissue, extension, substitution, confirmation, re-registrations, re-examination, revival, supplementary protection certificate, patents of addition, continuation, continuation-in-part, or divisional) or patent application (including any provisional application, non-provisional patent application, continuation, continuation-in-part, divisional, PCT international applications or national phase applications).

1.45"**Person**" means any natural person, general or limited partnership, corporation, limited liability company, limited liability partnership, firm, association or organization or other legal entity.

1.46"**Phase I Clinical Trial**" means a human clinical trial of the safety of a product that is prospectively designed to generate sufficient data (if successful) to commence a Phase II Clinical Trial, as further defined in 21 C.F.R. §312.21(a), as amended from time to time, or the corresponding regulation in jurisdictions other than the United States.

1.47"**Phase II Clinical Trial**" means a human clinical trial (a) for which the primary endpoints include a determination of dose ranges or a determination of efficacy in patients being studied, or (b) designed to enroll 20 or more patients of a specific indication at the same dose level, whether or not efficacy is a primary or secondary endpoint, in each case, as described in 21 C.F.R. §312.21(b) with respect to a clinical study performed in the United States, or similar clinical study of a product in any other country

1.48"**Phase III Clinical Trial**" means a human clinical trial of a compound or product for an indication on a sufficient number of subjects that is designed to establish that the compound or product is safe and efficacious for its intended use, and to determine warnings, precautions, and adverse reactions that are associated with the compound or product in the dosage range to be prescribed, and to support Regulatory Approval of the compound or product for such indication or label expansion of the compound or product as described in 21 C.F.R. §312.21(c), or similar clinical study in a country other than the U.S.

1.49"**Process Development**" means the development, qualification, validation and scale-up of the process to manufacture the Product, and any analytic development and Product characterization with respect thereto, beginning with final clone selection and upstream process development and terminating upon the completion of the process scale up activities prior to tech transfer to a CMO, in each case, as described in the CMC Plan.

1.50"**Product**" means a therapeutic product consisting of an Aptevo Molecule and a Niowave Radioisotope.

1.51"**Product Know-How**" means all Know-How pertaining to the Product, including Know-How relating to its composition of matter, method of use or methods of manufacture; provided that Product Know-How shall not include Aptevo Platform Know-How.

1.52"**Product Patents**" means all Patents that claim any invention or subject matter included in Product Know-How.

1.53"**Prosecute**" (and correlative terms) means preparing, filing, prosecuting and maintenance of a Patent, as well as handling re-examinations, and requests for supplementary protection certificates and patent term extensions with respect to such Patent, together with the conduct of any post-grant proceeding, supplemental examination, post-grant review, inter parte review, reexamination, reissue, interference, or opposition proceeding in any patent office. "Prosecute" will not include any enforcement actions taken with respect to a Patent against a Third Party.

1.54"**Regulatory Approvals**" means all necessary approvals (including any supplements and amendments thereto), licenses, registrations or authorizations of any Governmental Authority, necessary for the manufacture, distribution, use, promotion and sale of the Product in a given country or regulatory jurisdiction, including all required pricing and reimbursement approvals.

1.55"**Regulatory Authority**" means, in a particular country or regulatory jurisdiction, any applicable Governmental Authority involved in granting Regulatory Approvals in such country or regulatory jurisdiction, including (a) in the U.S., the FDA, and (b) in the European Union, the European Commission and relevant national medicines regulatory authorities.

1.56"**Regulatory Data**" means any and all research data, pharmacology data, chemistry, manufacturing and control data, preclinical data, clinical data and all other documentation submitted, or required to be submitted, to Regulatory Authorities in association with obtaining or maintaining all INDs and Regulatory Approvals for the Product (including any applicable Drug Master Files ("**DMFs**"), CMC Information, or similar documentation).

1.57"**Regulatory Materials**" means regulatory applications, submissions, notifications, communications, correspondence, registrations, Regulatory Approvals and/or other filings made to, received from or otherwise conducted with a Regulatory Authority that are necessary in order to Develop, manufacture (including Manufacture), obtain and maintain INDs and Regulatory Approvals, market, sell or otherwise commercialize the Product in a particular country or regulatory jurisdiction. Regulatory Materials include materials relating to pre-IND meetings, INDs, pre-Marketing Authorization Application ("**MAA**") meetings (including the biologics license application filed with the FDA), MAAs, presentations, responses, and applications for other Regulatory Approvals.

1.58"**Revenue**" means any payments or other consideration (including equity) that a Party receives from a Third Party Licensee, its Affiliates, sublicensees or distributors, other than: (a) loans or other debt obligations (it being understood that any amounts of which are forgiven

shall be deemed to be Revenue); and (b) consideration as reimbursement for costs and expenses, such as research costs, development costs, manufacturing (including manufacturing) costs, promotional expenses and patent costs, incurred after the effective date of the Third Party License Agreement. If a Party or its Affiliates receives non-cash consideration (other than equity) from a Third Party Licensee in connection with a Third Party License Agreement or in the case of transactions not at arm's length, Revenue will be calculated based on the fair market value of such consideration or transaction, at the time of the transaction, assuming an arm's length transaction made in the ordinary course of business. If a Party or any of its Affiliates issue equity or debt securities to a Third Party Licensee, only the portion of any consideration received by such Party or any of its Affiliates for such securities in excess of the fair market value of such securities shall be included in Revenue (such fair market value to be determined, (i) if such securities are not then publicly traded, by such Party's Board of Directors, or (ii) if such securities are then publicly traded, by the method used to determine the amount paid by such Third Party Licensee or if no such method is specified, the average closing price of such securities for the twenty (20) business days preceding the date of issuance of such securities).

1.59"**Significant Pharmaceutical Company**" means a company substantially engaged in the development and commercialization of pharmaceutical products having a market capitalization of at least $30 billion as listed on a nationally recognized public securities exchange.

1.60"**Stage Gate**" means those go/no go criteria for the continuation of the Development Activities, which are set forth in Schedule 2.3.4.

1.61"**Term**" has the meaning set forth in Section 14.1.

1.62"**Territory**" means the entire world.

1.63"**Third Party**" means any Person other than Aptevo, Niowave, or an Affiliate of Aptevo or Niowave.

1.64"**Third Party Development Funding**" means Development Costs paid by a Third Party (other than a Third Party Licensee) to fund the Development of a Product through the Completion of Phase II Clinical Trials following the Termination Date.

1.65"**Third Party License Agreement**" means (a) any right granted, license given, covenant not to sue, or agreement entered into by one or both of the Parties to or with any Third Party, to exploit a Product in the Field or otherwise permitting or relating to the development, manufacture, marketing, distribution, use, or sale of the Product in the Field, including the Manufacture and supply of Product to such Third Party; (b) any option or other right granted by the Parties to any Third Party to negotiate for or receive any of the rights described under clause (a); or (c) any standstill or similar obligation undertaken by the Parties toward any Third Party not to grant any of the rights described in clause (a) or (b) to any Third Party; in each case, regardless of how such grant of rights, license given or agreement entered to is referred to.

1.66"**Third Party Licensee**" means any Third Party that enters into a Third Party License Agreement with a Party (or both Parties).

1.67"**Valid Claim**" means any claim within an issued Patent, which claim has not expired or been held invalid by a non-appealed or unappealable decision by a court or other appropriate body of competent jurisdiction, and that has not been disclaimed or admitted to be invalid or unenforceable through reissue, disclaimer, or otherwise, or any claim within a pending patent application that has been prosecuted in good faith, has not been pending for more than seven (7) years from its earliest priority date, and has not been abandoned or finally rejected without the possibility of appeal.

1.68**Interpretation**. Except where expressly stated otherwise in this Agreement, the following rules of interpretation apply to this Agreement: (a) "include", "includes" and "including" are not limiting; (b) "hereof", "hereto", "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement; (c) words of one gender include the other gender; (d) references to a contract or other agreement mean such contract or other agreement as from time to time amended, modified or supplemented; (e) references to a Person are also to its permitted successors and assigns; (f) references to an "Article", "Section", "Exhibit" or "Schedule" refer to an Article or Section of, or an Exhibit or Schedule to, this Agreement, unless expressly stated otherwise; and (g) references to a law include any amendment or modification to such law and any rules and regulations issued thereunder, whether such amendment or modification is made, or issuance of such rules and regulations occurs, before or after the date of this Agreement.

1.69**Other Definitions**. The following capitalized terms have the meaning ascribed to them in the corresponding identified section of this Agreement (unless otherwise provided):

Definition	Section
Acquired Third Party IP	4.7.2
Agreement	Preamble
Alternative Threshold	7.2.1
Aptevo Platform Know-How	1.29
Niowave Indemnitee	13.1
Allocable Percentage of Revenue / APR	14.4.1
Aptevo	Preamble
Aptevo Indemnitees	13.2
Best Offer	7.3.1
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2. DEVELOPMENT

2.1 **Performance of Development Activities**.

2.1.1 General. Each Party shall perform the Development Activities allocated to it in accordance with the Development Plan, including preparation and/or filing of Regulatory Materials. The Parties anticipate that the Development Plan will utilize the specific expertise and capabilities of each Party and that the Parties will mutually agree upon a division of labor and Development Activities that take advantage of this expertise. Although many Development Activities will be jointly conducted, others will be the sole responsibility of Aptevo or Niowave.

2.1.2 Allocation. In any given month, quarter or year, the Parties may not be assigned equal responsibilities. Each Party shall use its Commercially Reasonable Efforts to comply with any timelines, schedules and target dates for completing its Development Activities or any portion thereof as set forth in the Development Plan. If a Party's failure to use such Commercially Reasonable Efforts to complete its Development Activities results in a material delay in the timelines, schedules and/or target dates under the Development Plan, and if any increase in Development Costs is directly attributable to such failure and resultant delay, then the Party responsible for such failure and delay shall be one hundred percent (100%) responsible for the amount of such increase that is incurred during the period beginning from the commencement date of the delay and terminating upon the date of the end of the delay.

2.1.3 Requirements. Each Party shall furnish the research and development staff, technical know-how, equipment, instruments, supplies and facilities necessary to carry out the Development Activities assigned to such Party. Each Party shall conduct its Development Activities in accordance with the Development Plan, the terms of this Agreement and all Applicable Laws, Good Clinical Practices (GCPs), Good Laboratory Practices (GLPs) and Good Manufacturing Practices (GMPs). Notwithstanding anything to the contrary in the foregoing, neither Party makes any warranties or representations regarding the achievement of any particular results in connection with its Development Activities.

2.1.4 Information Disclosure. Subject to the licenses granted under Article 6, upon written request from the other Party, as applicable, (a) Aptevo shall promptly disclose the Aptevo Know-How to Niowave, and (b) Niowave shall promptly disclose the Niowave Know-How to Aptevo, in each case, to the extent that it is reasonably necessary for the other Party to conduct Development Activities.

2.2**Subcontracting of Development Activities**. Neither Party may subcontract its obligations or any of its Development Activities under the Development Plan without the prior written consent of the other Party, such consent not to be unreasonably withheld, conditioned, or delayed. Each Party shall ensure that each of its subcontractors accepts and complies with all applicable terms and conditions of this Agreement, all required licenses, permits and accreditations and all Applicable Laws, and each Party shall remain directly responsible for all of its Development obligations and amounts owed to the other Party under this Agreement and for the performance of its subcontractors hereunder. Each subcontract shall (a) be subject and subordinate to the terms and conditions of this Agreement, (b) contain terms and conditions that are not inconsistent with the terms and conditions of this Agreement, (c) not in any way diminish, reduce or eliminate any of such Party's rights and obligations under this Agreement, and (d) impose on the subcontractor all applicable obligations under the terms of this Agreement, including, to the extent applicable, the assignment of Know-How and other intellectual property rights, reporting, audit, inspection and confidentiality provisions hereunder, as well as a provision prohibiting such subcontractor from subcontracting in violation of the terms of this Agreement. Each Party hereby expressly waives any requirement that the other Party exhausts any right, power or remedy, or proceed against a subcontractor, for any obligation or performance hereunder prior to proceeding directly against such Party.

2.3**Stage Gates and Development Plan**.

2.3.1 Stage Gates. The Stage Gate phase of this Agreement includes three Stage Gates as set forth in Schedule 2.3.4. The Parties will review the data specific to each Stage Gate, at the relevant time set forth in this Section 2.3 (such review process, "**Stage Gate Review**"). Unless the Parties mutually agree in writing within ninety (90) days of completion of any Stage Gate Review to proceed to the next Stage Gate or continue the Development Activities (in which case this Agreement shall remain in full force and effect), this Agreement will be automatically terminated as of the expiration of such ninety (90) day period. For clarity, the termination of this Agreement pursuant to the foregoing sentence shall comprise an Opt-Out of this Agreement as further described in Section 14.2 hereof.

2.3.2 Proof of Concept Study. The Parties shall conduct a proof of concept study (the "**POC Study**"), which shall comprise the first Stage Gate, pursuant to a plan to be agreed upon in writing by the Parties within thirty (30) days after the Effective Date. Such agreed upon in writing plan shall be referred to as the "**POC Study Plan**" and shall be appended to this Agreement as Schedule 2.3.1 (the "**POC Study**"). The POC Study Plan shall provide, among other things, for a budget and list of activities and supplies in relation to the POC Study, including (without limitation) that the Parties shall equally bear the costs of all supplies procured from Third Parties in connection with the POC Study on a cost basis. Niowave shall supply the Niowave Radioisotope and Aptevo shall supply the Aptevo Molecule for the POC Study Plan at no cost. Aptevo shall be paid for any testing and evaluation work related to bispecific development performed by Aptevo on an FTE Rate basis. The POC Study Plan may be amended as mutually agreed to by the Parties. The completion of the POC Study in accordance with the endpoints set forth on Schedule 2.3.1 shall be a condition precedent to commencing the first Stage Gate Review, at which the Parties will determine whether to proceed to the second Stage Gate.

2.3.3 cGMP Manufacturing Readiness. Should the Parties agree to proceed to the second Stage Gate, the Parties (a) shall cooperate to adopt a Development Plan pursuant to Section 2.3.5 and (b) shall conduct a cGMP manufacturing readiness study (the "**cGMP Manufacturing Readiness Study")** pursuant to a plan to be included within the Development Plan (the "**cGMP Manufacturing Readiness Plan**") within thirty (30) days after agreement in writing to continue to the second Stage Gate. The completion of the cGMP Manufacturing Readiness Study in accordance with the endpoints set forth therein shall be a condition precedent to commencing the second Stage Gate Review, at which the Parties will determine whether to proceed to the third Stage Gate.

2.3.4 Phase 1 Study. Should the Parties agree to proceed to the third Stage Gate, the Parties shall conduct a Phase 1 readiness study (the "**Phase I Study")** pursuant to a plan to be included within the Development Plan (the "**Phase I Plan**") within thirty (30) days after agreement in writing to continue to the third Stage Gate. The completion of the Phase I Study in accordance with the endpoints set forth in the Development Plan shall be a condition precedent to commencing the third Stage Gate Review, at which the Parties will determine whether to proceed with the additional Development Activities contemplated by the Development Plan.

2.3.5 Development Plan and Budget. The Parties shall conduct the Development Activities pursuant to a comprehensive Development Plan to be agreed by the Parties within sixty (60) days after the mutual election of the Parties to continue to the second Stage Gate phase pursuant to Section 2.3.2. The Development Plan shall set forth, among other things, the following Development Activities through completion of the first Phase II Clinical Trial: (a) preclinical studies, pharmacologic studies, toxicology studies, process development studies and clinical studies; (b) a detailed budget for all Development Costs for the Development Activities in the Development Plan to be conducted in the following 12 months (the "**Development Budget**") and a forecast of the projected Development Costs for the Development Activities for at least the next three (3) years (the "**Budget Forecast**"); (c) the allocation of the Development Activities to be conducted by each Party and the timeline for completing such Development Activities; (d) the plans and timelines for preparing the necessary Regulatory Materials, and the regulatory plans and other elements of obtaining and maintaining Regulatory Approvals; and (f) the number of FTEs necessary for the performance of the Development Activities based on the FTE Rate. Niowave shall supply the Niowave Radioisotope as further set forth in Section 8.1 and Aptevo shall supply the Aptevo Molecule for the Development Activities. The Parties will split all internal and external costs under the Development Plan equally; this will include the supply of Niowave Radioisotopes (at a rate equivalent to the lower of cost or market value) along with all costs associated with manufacturing including, cell line development, process development, formulation development and analytical development. The Development Plan may be amended from time to time as agreed upon in writing by the Parties. The Development Plan will be updated annually as approved by the Parties. In connection with each annual update of the Development Plan the Parties will agree upon an update to the annual Development Budget for the next year and the activities expected to be performed under such budgeted amounts (the "**Development Forecast**") and an update for the Budget Forecast covering the following three (3) years. If the Parties are unable to so agree on the annual Development Budget for the next such year, then the budget for such year as set forth in the most recent Budget Forecast shall be automatically adopted as the annual Development Budget for such year.

2.3.6 Notice of Budget Overruns. At any time during the Development Period, if a Party reasonably believes that its Development Costs incurred in the conduct of Development Activities in a given year will exceed the annual Development Budget allocated to such Development Activities in such year, then such Party shall provide prompt notice to the other Party prior to incurring such excess costs, with such notice detailing the amount and reasons for such projected overage (the "**Expected Overrun Notice**"). The Party that receives the Expected Overrun Notice shall promptly acknowledge receipt of the same and, following such acknowledgment, the Parties shall promptly meet to discuss the reasons for such overage and a potential increase or re-allocation of the Development Budgets to cover all or a portion of such overage (taking into account whether the applicable overage was caused by an underestimation, the actions of either Party, and/or events outside of a Party's reasonable control). For clarity, the Parties shall discuss such overage in good faith, but neither Party will have sole decision-making authority with respect to such increase or re-allocation of the applicable annual Development Budget, and such determinations shall be made only by agreement of the Parties. If the Parties agree to increase or re-allocate the annual Development Budget to cover such increased Development Costs in such year, then the Parties shall promptly amend the applicable Development Budget in accordance with Section 2.3.2. If the Party receiving the Expected Overrun Notice does not respond to the Party that delivered such Expected Overrun Notice within a period of forty-five (45) days following its receipt thereof then the Party that received the Expected Overrun Notice shall be deemed to have consented to an increase of the applicable annual Development Budget to the extent necessary to cover all of such expected overage, and the Parties shall promptly amend the applicable Development Budget to reflect such increase in accordance with Section 2.3.2.

2.4**Records and Development Data**.

2.4.1 Records. Each Party shall create and maintain complete and accurate written records of its Development Activities and of all Development Data generated in the performance of Development Activities (collectively, the "**Development Records**") as well as records of data obtained and inventions made pursuant to its Research License. Such records shall properly reflect all work done and results achieved in the performance of the Development Activities in sufficient detail and in good scientific manner appropriate for regulatory and patent purposes. Each Party shall document such Development Activities, including Clinical Trials, to be conducted pursuant to the Development Plan in formal written study reports according to ICH-GCP and other applicable national and international regulatory requirements. All Clinical Trial activities should be documented by setting up, maintaining and controlling a trial master file according to ICH-GCP. Each Party shall maintain the Development Records in compliance with the terms of this Agreement and Applicable Law.

2.4.2 Access to Development Records. Each Party shall have the right, during normal business hours and upon reasonable notice, to inspect and copy (or request the other Party to copy) all Development Records of the other Party. Each Party shall make available its employees engaged in the Development Activities upon reasonable notice during normal business hours and at their respective places of employment to consult with the other Party on the progress of the Development Activities and to exchange Joint Know-How.

2.4.3 Development Data. All Development Data shall be owned and shared by the Parties as set forth in this Section 2.4.3.

(a) Ownership of Development Data. Development Data and Development Records (in each case, that are not Aptevo Platform Know-How or Niowave Platform Know-How) shall be jointly owned by both Parties and shall be considered Joint Technology for all purposes under this Agreement, and shall be considered the Confidential Information of both Parties.

(b) Sharing of Development Data. With respect to the Development Data generated by or on behalf of a Party, such Party shall promptly provide the other Party with copies of reports and summaries thereof, in each case as such reports and summaries become available to such Party, and no less frequently than each quarter during the Development Period and within sixty (60) days after the expiration or termination of the Development Period. Aptevo will share all Development Data generated by or on behalf of Aptevo or its Affiliates with Niowave free of charge, and Niowave is entitled to disclose such Development Data to its Affiliates in accordance with the terms of this Agreement. Niowave will share all Development Data generated by or on behalf of Niowave or its Affiliates with Aptevo free of charge, and Aptevo is entitled to disclose such Development Data to its Affiliates in accordance with the terms of this Agreement. Aptevo shall ensure that its Affiliates agree to the disclosure of such Development Data to Niowave and its Affiliates, and Niowave shall ensure that its Affiliates agree to the disclosure of such Development Data to Aptevo and its Affiliates.

2.5**Grant of Research License**. Subject to Section 2.7 and the remainder of this Section 2.5, each Party hereby grants to the other Party a limited, non-exclusive right and license to use Joint Technology without reporting to the grantor Party on the results of such activities, as set forth in additional detail in this Section 2.5 (the "**Research License**"). All information, data and results obtained by a grantee Party pursuant to its Research License, other than Joint Technology itself, will be solely owned by, and be the Confidential Information of, the grantee Party.

2.6**Confidentiality**. Subject to the exceptions set forth in Section 5.1 (a)–(e), each Party shall treat the Development Records and the contents of any report of Development Data provided to it under Section 2.4.2 as the other Party's Confidential Information. Any Confidential Information relating to the Product that is disclosed by a Party, but was not developed, produced or obtained through the Development Activities (for example, a Party's independently obtained and funded marketing reports, business plans, pricing information and the like), shall be and remain the Confidential Information of the Disclosing Party.

2.7**Use**. Subject to the terms and conditions set forth in this Agreement (including Section 14.3), each Party may use the Development Data, and may allow its Affiliates to use the Development Data, solely for the performance of Development Activities and efforts to enter into one or more Third Party License Agreements. Except as permitted in Section 2.5, or with respect any intellectual property assigned to Aptevo under this Agreement, neither Aptevo nor Niowave may use the Development Data or Joint Technology outside of the Field.

2.8**Regulatory Matters**.

2.8.1 General Responsibilities; Ownership of INDs. Aptevo shall be the regulatory sponsor of any IND and shall be responsible for the preparation of all Regulatory Materials necessary or desirable for conducting any Clinical Trial. Each Party shall have the right to review and approve any essential materials and may provide advice on the proposed strategy and documentation for submission to the Regulatory Authorities and the sponsoring Party shall consider such comments in good faith. To the extent not prohibited by Applicable Laws, each Party shall be entitled to attend key meetings with the relevant Regulatory Authorities and to participate fully in such meetings. Each Party shall cooperate with and provide reasonable assistance to the other Party in connection with all activities undertaken by such Party relating to the obtaining and maintaining of the INDs. All costs incurred in connection with the preparation and filing of INDs for the Product under the Development Plan shall be Development Costs. To the extent required by Applicable Law or otherwise determined by the Steering Committee, the sponsoring Party shall obtain and maintain clinical trial insurance in respect of all Clinical Trials for which it is the sponsor.

2.8.2 Reporting and Review.

(a) Each Party shall keep the other Party reasonably and regularly informed in connection with the preparation of all material Regulatory Materials and Regulatory Authority review of Regulatory Materials. Upon reasonable request, each Party shall provide the other Party, in a timely manner, with copies of all material notices, questions, and requests for information in tangible form which it receives from a Regulatory Authority with respect to the Product. Without limiting the foregoing, upon a Party's reasonable request, the other Party shall copy the requesting Party and seek to cause Regulatory Authorities to copy the requesting Party on all substantive correspondence with any Regulatory Authority related to the Product.

(b) The Parties shall cooperate in communicating with any Regulatory Authority having jurisdiction regarding the Product and each Party shall keep the other Party informed of planned regulatory submissions and material communications, either on its own initiative in accordance with this Agreement or as a result of such a Regulatory Authority initiating contact with such Party in connection therewith.

(c) Aptevo shall be responsible for the collection, review, assessment, tracking and filing of information related to adverse events associated with the Product in the applicable Clinical Trial in accordance with Applicable Laws. Prior to the submission of the first IND, the safety representatives from each of the Parties shall meet and agree upon a written pharmacovigilance agreement to delineate the Parties respective pharmacovigilance obligations and safety data reporting responsibilities for the Product to ensure that there is adequate coordination and sharing of relevant safety information. Such pharmacovigilance agreement shall ensure that adverse event and other safety information is exchanged according to a schedule that will permit each Party (and its Affiliates, or subcontractors) to comply with Applicable Laws.

(d) Each Party shall promptly inform the other Party of notification of any action by, or notification or other information that it receives (directly or indirectly) from, any Regulatory Authority that (i) raises any material concerns regarding the safety or efficacy of the Product, (ii) indicates or suggests a potential material liability of either Party to Third Parties in connection with the Product, or (iii) relates to expedited exchange of individual case safety reports

and periodic safety reports with respect to the Product. Each Party shall reasonably cooperate with and assist the other Party in complying with regulatory obligations, including by providing to the other Party, within two (2) business days after a request, such information and documentation which is in such Party's possession as may be necessary or reasonably helpful for the other Party to prepare a response to an inquiry from a Regulatory Authority.

3. GOVERNANCE

3.1 **Steering Committee; Day-to-Day Activities**. Within thirty (30) calendar days after the Effective Date, the Parties shall establish a joint steering committee comprised of an equal number of representatives from Aptevo and Niowave to oversee and guide the Development Activities, and the collaboration of the Parties under this Agreement (the "**Steering Committee**"). The Steering Committee will act as a forum for information exchange between the Parties, provide high-level guidance and strategy to both Parties with respect to Development Activities, and be responsible for making key strategic decisions in connection with the Development Activities and the conduct thereof, but it is not intended to manage the day-to-day operations of either Party. For the avoidance of doubt, the day-to-day decision making of either Party with respect to its operations and its implementation of the Development Activities for which it is responsible is outside of the purview of the JSC, except to the extent that the JSC defines such roles in the Development Plan, CMC Plan, Clinical Plan and, in each case, the related budget. Without limiting the foregoing, and except to the extent that the Steering Committee expressly agrees to delegate any function or decision to the responsible Party (or to a sub-committee formed by the Steering Committee), the Steering Committee shall perform the following functions and be responsible for the following key decisions:

3.1.1 Review, coordinate and discuss the overall strategy for Development Activities, including the overall strategy for seeking Regulatory Approvals for the Product, and approve such overall strategy for Developing the Product, in each case under the Development Plan;

3.1.2 Manage and oversee the preparation and implementation of the Development Plan;

3.1.3 Review and approve (or decline to recommend) any material amendments to the Development Plan (including, for example, adding or modifying a Stage Gate(s) described in the then-current Development Plan);

3.1.4 Review, discuss and approve a plan for (a) the manufacture of Product for clinical development purposes, including the budget for the related Development Costs (the "**CMC Plan**"), (b) the conduct of clinical Development Activities, including the budget for the related Development Costs (the "**Clinical Plan**") and (c) the conduct of other major Development Activities;

3.1.5 Review, discuss and approve the design of the Clinical Trial protocols and endpoints and oversee the conduct of all Clinical Trials required as set forth in the Development Plan;

3.1.6 Review and discuss the contents of all submissions to Regulatory Authorities and Governmental Authorities for Regulatory Approvals, Regulatory Materials and all necessary filing and registration activities related thereto;

3.1.7 Establish procedures for seeking Third Party Licensees and the negotiation of Third Party License Agreements;

3.1.8 Resolve disputes which are stated herein to be referred to the Steering Committee for resolution; and

3.1.9 Have such other responsibilities as may be assigned to the Steering Committee pursuant to this Agreement or as may be mutually agreed upon by the Parties in writing from time to time.

3.2**Membership; Meetings**. The Steering Committee shall have up to six (6) members, with up to three (3) representatives designated by Aptevo and up to three (3) representatives designated by Niowave. The initial members of the Steering Committee shall be designated by the Parties within thirty (30) calendar days after the date on which the Steering Committee is established. Each Party may change its Steering Committee representatives from time to time, in its sole discretion, effective upon delivery of written notice to the other Party. The Steering Committee shall be co-chaired by a representative of Aptevo and a representative of Niowave. The co-chairs or their delegates shall coordinate the scheduling of the Steering Committee meetings and the provision of the minutes described below. The Steering Committee shall meet at such times as agreed to by the Steering Committee members, but no less than once per quarter, which meetings shall be held teleconference, videoconference or other similar communications equipment at dates, times and locations/ means as determined by the Steering Committee co-chairs. Each Party shall bear the expense of its respective Steering Committee members' participation in the Steering Committee meetings. Promptly after each Steering Committee meeting, the Steering Committee co-chairs shall provide the Parties with reasonably detailed written minutes of such meeting. To the extent required in connection with the agenda of a meeting of the Steering Committee, each Party may bring a reasonable number of non-voting observers to observe such meeting, at such Party's sole expense; *provided* that (a) such Party notifies the other Party of its non-voting observers reasonably in advance of the Steering Committee meeting, (b) such observers are reasonably acceptable to the other Party, and (c) such observers are subject to obligations of confidentiality owed to the inviting Party that are no less restrictive than those obligations set forth in Article 5.

3.3**Voting**. Each Party's representatives on the Steering Committee will collectively have one (1) vote on all matters that are within the responsibility of the Steering Committee. The members of the Steering Committee will use reasonable efforts to reach unanimous consensus on all decisions. If the members of the Steering Committee are unable to reach consensus on a particular issue within twenty (20) business days after such issue is first presented to the Steering Committee, then such issue shall be escalated for resolution pursuant to Section 15.4.2. For the avoidance of doubt, no decision of the Steering Committee may waive or amend a Party's express rights or obligations under this Agreement or resolve contractual disputes between the Parties.

3.4**Subcommittees**. The Steering Committee is authorized to propose and form sub-committees that will focus on specific Development functions throughout the Development Period, which may include (for example) sub-committees for certain research and development functions (such as preclinical and CMC activities), certain patent-related activities, certain Product-related clinical activities and seeking and engaging Third Party Licensees.

3.5**Intellectual Property Subcommittee**. The Parties shall, within thirty (30) days after formation of the Steering Committee, establish an intellectual property subcommittee of the Steering Committee (the "**Intellectual Property Subcommittee**" or "**IPSC**"). The IPSC shall provide a collaborative forum for the Parties to address intellectual property matters under this Agreement. The IPSC shall (a) be the primary point of contact for the Parties regarding the exchange of information on Prosecution, enforcement and defense matters set forth in Article 11, and (b) develop and implement the overall strategy for Prosecuting and enforcing Patent protection and aligning the patenting strategy with other exclusivities available for the Product. A budget for Joint Patents shall not be part of the Development Budget.

4. INTELLECTUAL PROPERTY

4.1**Inventorship**. Inventorship of patentable inventions shall be determined in accordance with the patent law of the relevant country. Notwithstanding Article 15, if the Parties are unable to agree on inventorship of an invention arising from Development Activities, the Parties will jointly hire (and equally bear the fees and expenses of) an independent patent counsel or patent agent that is licensed to practice in the relevant country to determine inventorship. Such determination shall be used for Patent filing purposes only, and not to determine ownership, which shall be determined as set forth in Section 4.2.

4.2**Ownership**.

4.2.1 All Aptevo Background IP remains the sole property of Aptevo, and all Niowave Background IP remains the sole property of Niowave.

4.2.2 Joint Technology shall be jointly owned by the Parties, with each Party owning a fifty percent (50%) undivided interest in all Joint Technology. Except as otherwise provided in this Agreement: (a) neither Party shall be entitled to use the Joint Technology outside the course of conduct of Development Activities without the prior written consent of the other Party, and (b) except as provided in Section 7.5.2, neither Party is entitled to grant licenses or other rights to the Joint Technology without the prior written consent of the other Party.

4.3**Disclosure of Inventions**. Each Party shall promptly disclose to the other Party in writing, and shall cause its Affiliates and licensees, and its and their employees, consultants, agents and contractors to so disclose, the development, making, conception or reduction to practice of any potentially patentable inventions included in the Joint Know-How.

4.4**Obligation to Assign**. Each Party will require all of its employees, consultants agents and contractors, and will cause its Affiliates and licensees to require all of their employees, consultants agents and contractors to assign all Joint Know-How that are conceived, generated or otherwise made by such employees, consultants agents and contractors to it or such Affiliate, respectively, for further assignment according to the ownership principles described in this Article

4. The applicable Party shall ensure that such assignment complies with Applicable Laws, including making any required payments to the individual who conceived, generated or otherwise made such Know-How, which payments shall not be Development Costs.

4.5**Additions to Schedules**. Without limiting a Party's warranty provided under Article 12, if either Party identifies a Niowave Patent or Aptevo Patent that existed as of the Effective Date but which was not previously included on Schedule 1.4 or Schedule 1.13, then such Patent shall be added to the applicable Schedule.

4.6**Disclosure; Confidentiality**. Subject to the exceptions set forth in Section 5.1 (a)-(e), each receiving Party shall (a) treat as Confidential Information of the other Party the contents of any notice provided to it under this Article 4 to the extent such notice discloses Know-How owned solely by the other Party, and (b) treat as each Party's Confidential Information the contents of any notice provided to it under this Article 4 to the extent such notice discloses Joint Know-How.

4.7**Third Party IP Rights**.

4.7.1 If either Party determines that it is necessary or reasonably useful to obtain a license under any Patent of a Third Party relevant to the Development Activities or the Manufacture ("**Third Party IP**"), it shall inform the IPC of such determination along with documentation supporting such determination. The IPC shall discuss the desirability of obtaining a license to or acquiring such Third Party IP, and, if it is determined by the Parties to obtain a license to or acquire such Third Party IP, discuss and recommend appropriate financial terms and conditions (including the scope of the license to be negotiated) for such license or acquisition agreement (such agreement, a "**Third Party IP Agreement**"). The IPC shall also designate one Party, or that the Parties jointly, be responsible for handling negotiations of a Third Party IP Agreement. If the Third Party IP is related to the Aptevo Molecules, then Aptevo shall be the negotiating Party unless Aptevo otherwise agrees to permit Niowave to be the negotiating Party. If the Third Party IP is related to the Niowave Radioisotopes, then Niowave shall be the negotiating Party unless Niowave otherwise agrees to permit Aptevo to be the negotiating Party. The negotiating Party shall have responsibility and authority for negotiating and executing such Third Party IP Agreement; *provided*, that, through their representatives on the IPC, the negotiating Party shall keep the other Party reasonably informed with respect to the negotiations and deal terms relating to such Third Party IP Agreement (including scope of the license and financial terms) and such negotiating Party shall consider in good faith any comments, recommendations or analysis provided by the other Party. The negotiating Party shall not agree to any financial obligations or any other material terms or conditions without the prior written consent of the other Party, not to be unreasonably withheld, conditioned or delayed. To the extent allocable to the Product, all payments under such Third Party IP Agreement incurred during the Development Period shall be Development Costs.

4.7.2 Notwithstanding anything to the contrary in this Agreement and except for Third Party IP referred to in Section 4.7.1, the licenses granted under Article 6 shall not include rights to any Know-How or Patents acquired by license or otherwise by either Party from a Third Party after the Effective Date (the "**Acquired Third Party IP**"), except to the extent the other Party elects to include part of or all of such Know-How or Patents under any such license and

agrees to comply with all obligations to such Third Party applicable to such rights and to include payments to such Third Party that are allocable to the Product as Development Costs.

5. CONFIDENTIALITY

5.1**Definitions**. As used in this Agreement, the term "**Confidential Information**" means all information, whether it be in written form, visually or orally, including all production schedules, lines of products, volumes of business, processes, new product developments, product designs, formulae, technical information, laboratory data, clinical data, patent information, know-how, trade secrets, financial and strategic information, marketing and promotional information and data, and other material relating to any products, projects or processes of one Party (the "**Disclosing Party**"), that is provided to, or otherwise obtained by, the other Party (the "**Receiving Party**") in connection with this Agreement (including information exchanged prior to the date hereof in connection with the transactions set forth in this Agreement). Confidential Information shall not include any information or materials that:

(a) were already known to the Receiving Party (other than under an obligation of confidentiality) at the time of disclosure by the Disclosing Party, to the extent such Receiving Party has documentary evidence to that effect;

(b) were generally available to the public or otherwise part of the public domain at the time of disclosure thereof to the Receiving Party;

(c) became generally available to the public or otherwise part of the public domain after disclosure or development thereof, as the case may be, and other than through any act or omission of a Party in breach of such Party's confidentiality obligations under this Agreement;

(d) were rightfully disclosed to a Party, other than under an obligation of confidentiality, by a Third Party; or

(e) were independently discovered or developed by or on behalf of the Receiving Party without the use of the Confidential Information belonging to the other Party, to the extent such Receiving Party has documentary evidence to that effect.

5.2**Obligations**.

5.2.1 Each of Niowave and Aptevo shall keep all Confidential Information received from or on behalf of the other Party with the same degree of care with which it maintains the confidentiality of its own Confidential Information, but in all cases no less than a reasonable degree of care. Neither Receiving Party shall use such Confidential Information for any purpose other than in performance of this Agreement or disclose the same to any Third Party other than to such of its and its Affiliates' directors, officers, managers, employees, independent contractors, agents, consultants, authorized potential sublicensees, or actual or potential investors who have a need to know such Confidential Information to implement the terms of this Agreement or enforce its rights under this Agreement and who are bound by legally enforceable confidentiality obligations not less strict than those contained herein prior to any such disclosure. A Receiving Party shall advise any of its and its Affiliates' directors, officers, managers, employees,

independent contractors, agents, consultants, authorized potential sublicensees, or actual or potential investors who receive such Confidential Information of the confidential nature thereof and of the obligations contained in this Agreement relating thereto, and the Receiving Party shall ensure (including, in the case of a Third Party, by means of a written agreement with such Third Party having terms at least as protective as those contained in this Article 5 that all such directors, officers, managers, employees, independent contractors, agents, consultants, authorized (potential) sublicensees, or (potential) investors comply with such obligations). It is understood that receipt of Confidential Information under this Agreement will not limit the Receiving Party from assigning its employees to any particular job or task in any way it may choose, subject to the terms and conditions of this Agreement, including Section 5.2.2. For the avoidance of doubt, neither Party is required to share any solely owned Confidential Information with the other Party except as expressly contemplated by this Agreement.

5.2.2 Without limiting any obligation in Section 5.2.1, the Parties understand and agree that certain Confidential Information disclosed by the Parties hereunder may constitute trade secret information. Either Party may specifically indicate to the other Party whether any such information should be subject to the additional terms of this Section 5.2.2 ("**Designated Information**"). Each Party agrees to limit disclosure of any Designated Information to the fewest number of its employees (and consultants with the prior consent of the disclosing Party, on a case-by-case basis, not to be unreasonably withheld) who reasonably need access to Designated Information for the purpose of conducting or managing Development Activities. Prior to the receipt of any Designated Information, each Party shall implement commercially reasonable levels of protection to prevent the unauthorized access to and unauthorized use of any Designated Information, including implementing physical and technical safeguards.

5.3**Return of Confidential Information**. Upon the expiration or termination of this Agreement, the Receiving Party shall return or destroy all documents, tapes or other media containing Confidential Information of the Disclosing Party that remain in the possession of the Receiving Party or its directors, officers, managers, employees, independent contractors, agents, consultants, authorized potential sublicensees, actual or potential investors, except that the Receiving Party may keep one (1) copy of the Confidential Information in the legal department files of the Receiving Party, solely for archival purposes to comply with its obligations under this Agreement. Such archival copy shall be deemed to be the property of the Disclosing Party, and shall continue to be subject to the provisions of this Article 5. The provisions of this Section 5.3 shall not apply to copies of electronically exchanged Confidential Information made as a matter of routine information technology backup, *provided*, that it is not otherwise accessible to Receiving Party other than its information technology representatives responsible for maintaining the Receiving Party's electronic backup systems, and to Confidential Information or copies thereof which must be stored according to provisions of mandatory Applicable Laws.

5.4**Permitted Disclosure and Use**. Notwithstanding anything to the contrary in this Article 5: (a) a Receiving Party may disclose Confidential Information belonging to the other Party only to the extent such disclosure is reasonably necessary to comply with Applicable Laws; and (b) a Receiving Party may disclose Confidential Information belonging to the other Party related to a Product only to the extent such disclosure is reasonably necessary to obtain or maintain INDs of a Product to the extent such disclosure is made to a Governmental Authority. If a Receiving Party deems it necessary to disclose Confidential Information of the other Party pursuant to this

Section 5.4, such Receiving Party shall give reasonable advance written notice of such disclosure to the other Party to permit such other Party sufficient opportunity to object to such disclosure or to take measures to ensure confidential treatment of such information, including seeking a protective order or other appropriate remedy.

5.5**Notification**. The Receiving Party shall notify the Disclosing Party promptly upon discovery of any unauthorized use or disclosure of the Disclosing Party's Confidential Information, and will cooperate with the Disclosing Party in any reasonably requested fashion to assist the Disclosing Party to regain possession of such Confidential Information and to prevent its further unauthorized use or disclosure.

5.6**Publicity; Filing of this Agreement**.

5.6.1 Publicity. Each Party may issue the press release set forth on Schedule 5.6.1. Except as otherwise provided in this Section 5.6, each Party shall maintain the confidentiality of all provisions of this Agreement, and without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed, neither Party nor its respective Affiliates shall make any press release or other public announcement of or otherwise disclose the provisions of this Agreement to any Third Party, except for: (a) disclosure to those of its directors, officers, employees, accountants, attorneys, underwriters, lenders and other financing sources, potential strategic partners, authorized potential sublicensees, advisors, and agents whose duties reasonably require them to have access to this Agreement; provided that such directors, officers, employees, accountants, attorneys, underwriters, lenders and other financing sources, advisors, agents, strategic partners or authorized potential sublicensees, are required to maintain the confidentiality of this Agreement; (b) disclosures required by NASDAQ regulation or any listing agreement with a national securities exchange; (c) disclosures as may be required by Applicable Law, in which case the disclosing Party shall provide the non-disclosing Party with prompt advance written notice of such disclosure and cooperate with the non-disclosing Party to seek a protective order or other appropriate remedy, including a request for confidential treatment in the case of a filing with the Securities and Exchange Commission; and (d) other disclosures for which consent has previously been given. A Party may publicly disclose without regard to the preceding requirements of this Section 5.6 any information that was previously publicly disclosed pursuant to this Section 5.6.

5.7**Publication**. The Parties intend to publish or present the conduct and the outcomes of Clinical Trials, and may mutually agree to publish or present other Development Data and/or Development results, and in each case the Parties will use reasonable efforts to align such publication or presentation to the public. Each Party shall submit, through the Steering Committee, for the other Party's approval, such approval not to be unreasonably withheld, conditioned or delayed, copies of each proposed academic, scientific, medical and other publication or presentation that contains or refers to the Aptevo Technology, Niowave Technology or otherwise relates to the Product or any research or Development Activities under this Agreement to the other Party at least thirty (30) calendar days in advance of submitting such proposed publication or presentation to a publisher or other Third Party. The other Party shall have the right to review and comment on each such proposed publication or presentation and the publishing Party shall consider any comments in good faith. The other Party shall have the right to remove any of its own Confidential Information prior to submission for publication or presentation by the publishing

Party. The publishing Party shall redact or otherwise modify the proposed publication or presentation to remove any such Confidential Information of the other Party (or any Joint Know-How). In addition, in the event that the document includes data, information or material generated by the other Party's scientists, and professional standards for authorship would be consistent with including the other Party's scientists as co-authors of the document, the names of such scientists will be included as coauthors.

5.8**Use of Names**. Except as otherwise set forth in this Agreement, neither Party shall use the name of the other Party in relation to this transaction in any public announcement, press release or other public document without the written consent of such other Party, which consent shall not be unreasonably withheld, conditioned or delayed; *provided*, however, that subject to Section 5.6, either Party may use the name of the other Party in any document filed with any Regulatory Authority or Governmental Authority, including the FDA, EMA and the Securities and Exchange Commission.

5.9**Survival**. The obligations and prohibitions contained in this Article 5 as they apply to Confidential Information shall survive the expiration or termination of this Agreement for a period of ten (10) years following the effective date of such expiration or termination; *provided, that,* if the Confidential Information is of the nature that could reasonably be expected to qualify as a trade secret pursuant to Applicable Laws, the obligations contained in this Article 5 as they apply to such Confidential Information shall survive as long as it qualifies as a trade secret pursuant to Applicable Laws, including Confidential Information relating to the development and manufacture of the Product, quality control measures, production, sales, distribution and similar data and information, and compilations of data and results that would reasonably be expected to qualify as a trade secret pursuant to 21 CFR § 20.61.

6. LICENSES

6.1**License Grants**.

6.1.1 Grant to Niowave. Subject to the terms and conditions set forth in this Agreement, Aptevo hereby grants to Niowave, a co-exclusive license (with Aptevo) under the Aptevo Technology and Aptevo's right, title and interest in the Joint Technology, in each case, solely to Develop the Product in the Field during the Development Period pursuant to the Development Plan in collaboration with Aptevo.

6.1.2 Grant to Aptevo. Subject to the terms and conditions set forth in this Agreement, Niowave hereby grants to Aptevo a co-exclusive license (with Niowave) under the Niowave Technology and Niowave's right, title and interest in the Joint Technology, in each case, solely to Develop the Product in the Field during the Development Period pursuant to the Development Plan in collaboration with Niowave.

6.1.3 Manufacturing. If a Party exercises its right to Opt Out under Section 14.2.1 or terminates this Agreement pursuant to the terms of Sections 14.2.2, 14.2.3 or 14.2.4 (each, a "**Transition Event**" and such Party the "**Non-Continuing Party**"), then, promptly following such Transition Event, Aptevo and Niowave shall enter into an agreement that (a) permits the Party that did not Opt-Out or terminate (or, in the case of a termination pursuant to

Section 14.2.4, that elected to continue to the next Stage Gate or to continue the Development Activities, as applicable) (the "**Continuing Party**") (as applicable) to have the Product (including without limitation the Aptevo Molecule and Niowave Radioisotope which are the components thereof) manufactured through a Contract Manufacturing Organization ("**CMO**"), including, as may the case may be, the CMO that is manufacturing the Product as of the effective date of such Transition Event (such CMO, the "**Existing CMO**"), or a new CMO nominated by the Continuing Party (subject to the remainder of this Section 6.1.3) to replace or supplement such Existing CMO (the "**New CMO**"). To the extent that Niowave is the Non-Continuing Party, Niowave will, pursuant to the Supply Agreement, between the Parties dated on or about the date hereof in substantially the form attached hereto as Schedule 6.1.3, supply the Niowave Radioisotope that is a component of the Product to Aptevo at commercially reasonable terms to allow Aptevo to perform the activities contemplated by the Development Plan (including, without limitation, pre-clinical and clinical activities) and to Commercialize the Product. If the Continuing Party elects to nominate a New CMO, then such New CMO must be reasonably acceptable to the Non-Continuing Party, *provided* that Non-Continuing Party may only withhold its acceptance of a New CMO nominated by the Continuing Party by providing the Non-Continuing Party with a commercially reasonable justification therefor (including, for example, a legitimate concern that the use of such New CMO would not provide adequate protection of the Non-Continuing Party's intellectual property rights). If Non-Continuing Party withholds its acceptance to any nominated New CMO, then the Continuing Party shall nominate an alternate New CMO that is reasonably acceptable to the Non-Continuing Party.

6.1.4 Third Party Licensees. If following a Transition Event, the Continuing Party subsequently negotiates and enters into a Third Party License Agreement as contemplated in Article 7 hereof, then the Non-Continuing Party shall, upon the Continuing Party's request in connection with such Third Party License Agreement, to grant to such Third Party Licensee a license as contemplated in Section 7.5.2, in each case, as such Joint Technology, Aptevo Technology (in the event Aptevo is the Non-Continuing Party) or Niowave Technology (in the event that Niowave is the Non-Continuing Party) exists on the effective date of the applicable Transition Event.

6.2**No Other Grant of Rights**. Except as otherwise expressly provided herein, nothing in this Agreement will be construed to confer any ownership interest, license, or other rights upon a Party by implication, estoppel, or otherwise as to any technology, intellectual property rights, products, or biological materials of the other Party.

7. THIRD PARTY LICENSE AGREEMENTS

7.1**One Party or Both Parties Wish to Obtain Product Rights and Licenses**. The intention of the Parties, as of the Effective Date, is to identify, negotiate with and grant to one or more Third Party Licensees exclusive rights to enable such Third Party Licensees to continue Development of the Product after the first Phase II Clinical Trial and to obtain Regulatory Approvals, and thereafter to undertake Commercialization of the Product worldwide. However, the Parties also acknowledge that one or both of the Parties or their Affiliates may wish to become the licensee of the Product rights prior to or upon the conclusion of the first Phase II Clinical Trial of the Product. If a Party or its Affiliate desires to obtain such rights, it shall notify the other Party prior to the initiation of the process described in Section 7.2.1 (but in any event prior to three

months after the dosing of the first patient in the first Phase II Clinical Trial of the Product) and include an offer for such rights (a "**Partner Offer**") together with such notice. Following such notice and if such Party (or the relevant Affiliate) reasonably has the resources and capabilities to so Develop and Commercialize the Product in all major markets in the Territory, the Parties shall negotiate in good faith for up to sixty (60) days the terms of appropriate license and other agreements, *provided* that such period shall terminate on either the acceptance or rejection by the other Party of such Partner Offer, and *provided further* that each Party may accept or reject a Partner Offer in its sole discretion. If the Parties fail to reach an agreement within such sixty (60) days, despite engaging in good-faith negotiations, then the applicable Partner Offer shall be deemed rejected, and the Parties shall initiate the process of identifying a Third Party Licensee as provided in Section 7.2.

7.2 **Identification of Potential Third Party Licensees**.

7.2.1 Potential Third Party Licensees. Except if the Parties have otherwise entered into an agreement with respect to a Partner Offer under Section 7.1, beginning no later than six (6) months following dosing of the first (1st) patient in the first Phase II Clinical Trial conducted under the Development Plan for a Product, the Parties will cooperate in good faith to identify and solicit offers from potential Third Party Licensees for such Product. Prior to soliciting such offers and not later than sixty (60) days following the request by a Party, the Parties will in good faith establish an NPV threshold for the grant of exclusive, worldwide license of the continued Development and Commercialization of the Product to a Significant Pharmaceutical Company ("**NPV Threshold**") and an alternative NPV threshold (the "**Alternative Threshold**") by mutual agreement for a license agreement with a pharmaceutical company that is not a Significant Pharmaceutical Company. If the Parties are unable to agree on the NPV Threshold or Alternative Threshold within such period, then Parties shall promptly engage a mutually acceptable independent financial advisor having substantial experience with the valuation of license agreements in the pharmaceutical industry for the purpose of assisting the Parties to determine an appropriate NPV Threshold and/or Alternative Threshold within sixty (60) days of the expiration of the period referenced in the preceding sentence, *provided* that in each case, the NPV Threshold Alternative Threshold must be mutually agreed by the Parties. In the event that the Parties do not agree upon an NPV Threshold and/or Alternative Threshold within such second sixty (60) day period, the dispute resolution provisions set forth in Article 15 hereof shall apply. The Parties will mutually agree upon one Party that will be the lead Party in seeking and negotiating with potential Third Party Licensees in connection with the solicitation of a Third Party Proposal and, if applicable, the later negotiation of a Third Party License with such potential Third Party Licensee (the "**Lead Party**"), all in accordance with Section 7.5.1. Each Party may be a Lead Party in respect of different potential Third Party Licensees. Notwithstanding the foregoing, if either (a) one Party has undergone a Change of Control prior to the initiation of the process under this Section 7.2 if the acquiring entity (or such Party in the case of a reverse merger) is a Significant Pharmaceutical Company or (b) one Party has made a Partner Offer for the Product, then the other Party shall be designated as the Lead Party. For clarity, if both Parties have undergone an event described in the preceding sentence, then no Party shall be the default Lead Party, and the Parties will mutually agree on a Lead Party.

7.2.2 Third Party Proposals. If, at any time, the Parties (or either Party) receive any proposal or indication of interest from any Third Party in the form of a term sheet (or other

bona fide written proposal clearly identifying financial terms and diligence obligations) for the continued Development and Commercialization of the Product in the Territory (each a "**Third Party Proposal**"), then the receiving Party will promptly notify the other Party and provide copies of any documents embodying a Third Party Proposal within two (2) days following receipt thereof. Without limiting the foregoing, the Parties will also promptly notify each other of any bona fide interest from any Third Party that may not rise to a Third Party Proposal and shall use all reasonable efforts to respond to Third Party Proposals within ten (10) days of receipt. The Parties shall jointly consider any Third Party Proposal in good faith, as set forth and in accordance with the process set forth in Section 7.3.

7.3**Third Party Proposal Consideration Process**.

7.3.1 Determination of Third Party Best Offer. The Parties will consider all Third Party Proposals in good faith following the receipt of any such proposals. If there is more than one Third Party Proposal (or Partner Offer in the case that Section 7.4.1 applies) that exceeds the NPV Threshold (or New NPV threshold in the case that Section 7.4.1 applies) (or, if applicable, the Alternative Threshold), the Parties will work in good faith to jointly agree upon the best offer available for the Product rights taking into account all relevant factors, including the NPV of such proposals. If the Parties agree to accept a Third Party Proposal, then Section 7.5 shall apply to the negotiation of a Third Party License with the applicable Third Party.

7.3.2 Disputes. If the Parties fail to agree on which Third Party Proposal in Section 7.3.1 is the best offer available on or prior to the Decision Date, then at the request of either Party, the Parties will resolve which Third Party Proposal is the best offer available through baseball arbitration pursuant to resolution procedure set forth in Section 15.5. The arbitration tribunal shall be directed to determine which offer is reasonably likely to provide the highest NPV after taking into account all relevant factors, including the resources and demonstrated capabilities of each such Third Party in the relevant markets and therapeutic areas. The Third Party Proposal or Partner Offer (as applicable) that is either agreed by the Parties or determined by the arbitrator pursuant to this Section 7.3.1 will be the "**Best Offer,**" and the Parties shall accept such Best Offer and, in the case of a Best Offer that is a Third Party Proposal, negotiate a definitive license agreement (or other definitive transaction agreement, as applicable) in accordance with the terms of Section 7.5. The definitive license agreement (or other definitive transaction agreement, as applicable) with respect to a Partner Offer shall be subject to the review and approval of both Parties.

7.4**Alternative Mechanisms**.

7.4.1 No Third Party Offers above the NPV Threshold. Subject to Section 7.4.3, if by the date that is six (6) months after the top-line data is available (i.e., efficacy and safety tables and listings have been generated by from clean data sets) from the first Phase II Clinical Trial conducted under the Development Plan for a Product (the "**Decision Date**"), the Parties have failed to obtain a Third Party Proposal that exceeds the NPV Threshold (or, if applicable, Alternative Threshold), then the following terms shall apply:

(a) In such event, the Parties may in their discretion accept the Partner Offer (if such Partner Offer is renewed by the original offering Party on the same or modified

terms). The definitive license agreement (or other definitive transaction agreement, as applicable) with respect to a Partner Offer shall be subject to the review and approval of both Parties.

(b) If the Parties do not so accept a Partner Offer:

(i) the non-proposing Party may request a one-time determination of a new NPV Threshold which shall be calculated in accordance with Section 7.2.1, taking into account all relevant changes in relevant circumstances, including the offers made for or Third Party interest in the Product (and a new Alternative Threshold shall also be established using the same factor used in determining the original alternative threshold under Section 7.2.1).

(ii) In addition, the Lead Party shall solicit an updated offer(s) from any Third Parties, and either Party shall have the right to submit a new or updated Partner Offer if such Party (or the relevant Affiliate) reasonably has the resources and capabilities to so Develop and Commercialize the Product in all major markets in the Territory, in each case, not later than thirty (30) days from the Decision Date. Following the receipt of such offers, the Parties shall select the Best Offer using the new NPV Threshold (or, if applicable, Alternative Threshold) in accordance with the terms of Section 7.3.

(iii) Notwithstanding the terms of Section 7.3 to the contrary, if following such selection process, the Partner Offer (A) is the Best Offer (i.e. exceeds the new NPV Threshold or, if applicable to such Party, the new Alternative Threshold, and is determined to be the Best Offer by the agreement of the Parties or by the dispute resolution provisions of Article 15) and (B) exceeds the highest offer for substantially similar rights by a Significant Pharmaceutical Company by more than ten percent (10%), then the Parties shall accept the Partner Offer.

(c) The Parties shall use all reasonable efforts to complete such process not later than forty-five (45) days after the Decision Date. Following any acceptance of a Partner Offer, the Parties shall negotiate a definitive license agreement (or other definitive transaction agreement, as applicable) in good faith in accordance with the terms of the Partner Offer and on other commercially reasonable terms to be established by the Parties.

7.4.2 No Offers Available. If (a) the Parties do not have an active Third Party Proposal that either Party desires to accept on the Decision Date, and (b) neither Party has made any Partner Offer in accordance with Section 7.4.1, then the Parties will meet in good faith and agree to either (i) terminate this Agreement and cooperate to wind down all Development and Commercialization activities related to the Product pursuant to a separate agreement governing such wind-down activities and the allocation of costs associated therewith or (ii) continue the Development of the Product pursuant to an amendment to this Agreement or a separate agreement governing such continued joint Development.

7.4.3 Decision Date Amendment. Notwithstanding Section 7.4.1, if on the Decision Date there is any Third Party Proposal(s) that were received by the Parties less than thirty days (30) prior to the Decision Date, then the Decision Date shall automatically be modified to the date that is thirty (30) days from such initial Decision Date to allow each Party to properly consider

such Third Party Proposal. Without limiting the foregoing, the Decision Date may be modified by mutual agreement of the Parties.

7.5**Accepted Third Party Proposals**.

7.5.1 Solicitation and Negotiation Process. Reasonably in advance of the initiation of the process of contacting potential Third Party Licensees, the Parties shall create a new committee under this Agreement charged with managing the process of soliciting proposals from potential Third Party Licensees and otherwise coordinating such Third Party License Agreement-related activities (the "**BD Committee**"). The BD Committee will be comprised of an equal number of individuals from each of Niowave and Aptevo. The BD Committee will meet and work in good faith to establish procedures for the Lead Party to contact potential Third Party Licensees and, unless agreed otherwise, each Party shall be responsible for its own expenses associated with such Third Party License Agreement-related activities. Without limiting the foregoing, the Lead Party with respect to soliciting Third Party Proposals from any potential Third Party Licensee shall contemporaneously provide the other Party with all drafts of any term sheet prior to submission of such term sheet to any potential Third Party Licensee and shall seek the other Party's agreement of any material terms. If the Parties agree to accept any Third Party Proposal as set forth in Section 7.3 or 7.4, then the Lead Party with respect to such potential Third Party Licensee and the other Party shall cooperate, and the other Party will support such Lead Party's reasonable efforts and strategy, with regard to negotiating the applicable Third Party License Agreement. The BD Committee shall establish procedures for any Lead Party negotiations with potential Third Party Licensees, including timelines, terms and a determination of the overall licensing strategy. The terms proposed and negotiated with any potential Third Party Licensee and the final terms of any such agreement shall be subject to the approval of both Parties. Each Party shall cooperate in the preparation of such information and materials, participate in such presentations, due diligence procedures and other meetings and otherwise contribute toward such efforts as may be required to negotiate and finalize such Third Party License Agreements. The Lead Party shall keep the other Party fully informed of the status of such negotiations. In addition, the Lead Party shall regularly consult with the other Party with regard to the status of any such negotiations, contemporaneously provide the other Party with all drafts of such Third Party License Agreement prior to submission to any potential Third Party Licensee and shall seek the other Party's agreement of any material terms. The Lead Party shall notify the other Party reasonably in advance of any and all meetings (whether in-person, via telephone or otherwise) with such prospective Third Party Licensee, including negotiations relating to such Third Party License Agreement. The other Party shall have the right, at its expense, to have one employee participate in negotiations with such prospective Third Party Licensee. In addition, the Lead Party shall consult with the other Party regarding the material terms of such Third Party License Agreement, and shall incorporate any reasonable suggestions or requirements communicated by the other Party to the Lead Party. The Parties must jointly agree to the final form of any Third Party License Agreement, such agreement not to be unreasonably withheld.

7.5.2 Scope and General Description of Third Party License Agreements. The Parties acknowledge and agree that each Third Party License Agreement will be limited to the Product in the Field, and will include an exclusive license grant under Joint Technology, Aptevo Technology, and/or Niowave Technology, each to the extent necessary for a Third Party Licensee to Develop, manufacture and/or Commercialize the Product in the Field in the Territory. Each

Party shall be a party to each Third Party License Agreement. Each Party shall solely bear its internal costs incurred in connection with identification of and negotiations with each prospective Third Party Licensee; any Third Party costs incurred in connection with identification of and negotiations with each prospective Third Party Licensee shall be deemed Development Costs (and shall be shared by the Parties on a 50:50 basis); *provided* that the costs of external legal counsel and other professionals engaged by and representing only one Party shall be borne solely by such Party.

7.5.3 Delivery and Execution of Third Party License Agreements. The Lead Party shall provide to the other Party a copy of any proposed, final Third Party License Agreement before execution by the Third Party Licensee, for the other Party's review and approval at least ten (10) days prior to the Parties' execution thereof. A Party shall not execute any Third Party License Agreement without the prior written consent of the other Party. Each Party shall keep all copies of Third Party License Agreements in its confidential files.

7.6**Executed Third Party License Agreements; Expiration or Termination of Third Party License Agreements**. A Party shall not amend, modify or waive compliance by any Third Party Licensee with the terms of its Third Party License Agreement without the other Party's prior written consent, and each Party shall use its Commercially Reasonably Efforts to ensure that such Third Party Licensee complies with the terms and conditions of its Third Party License Agreement. If a Third Party License Agreement is executed, the Parties will amend this Agreement or enter into a new agreement that describes each Party's rights and obligations after such execution, including (for example) a mutually agreed allocation of risk, indemnification obligations and retained rights, licenses and limitations regarding Joint Technology and Development Data. If, during the Term, a Third Party License Agreement is terminated or expires for any reason, the Parties shall seek to obtain a replacement Third Party Licensee pursuant to the terms of this Article 7.

7.7**Third Party License Agreement Revenue Allocation**.

7.7.1 General. Absent prior agreement of the Parties to the contrary and subject to Sections 7.7.2 and 7.7.3, each Party will be entitled to 50% of all Revenue received under any Third Party License Agreement.

7.7.2 Development Costs not Shared Equally. Notwithstanding Section 7.7.1, if one Party pays for more than 50% of the Development Costs, then, absent agreement otherwise and subject to Section 7.7.3, each Party will be entitled to the percentage of Revenue received under any Third Party License Agreement equal to the percentage of Development Costs borne by such Party. For the avoidance of doubt, for the purposes of determining the Revenue allocation between the Parties pursuant to this Section 7.7, any Development Costs borne solely by one Party pursuant to Section 2.3.6 (in the case that the Parties do not amend the Development Budget) or Section 9.1.3 (in the case that the Steering Committee does not elect to share any Excess Overage Amounts equally) shall not be considered for any purposes of such calculation.

7.7.3 Opt-Out and Termination. Notwithstanding Section 7.7.1 or 7.7.2, if either Party exercises its right to Opt-Out under Section 14.2.1 prior to the execution of any Third Party License, then the Continuing Party shall retain all Revenue from any Third Party License,

subject to any payment obligations to the Opt-Out Party as contained herein. Additionally, if either Party terminates this Agreement pursuant to 14.2.2 or 14.2.3, all proceeds to the Party that commits material breach or the insolvent Party, respectively, will be limited to those set forth in 14.3.3.

7.8**Payment Mechanism**. The Parties shall attempt to have the appropriate Revenue split paid directly from the respective Third Party Licensee to each Party. If such an arrangement is not possible, then the Party receiving such payments shall provide the other Party within ten (10) days after receipt of any Revenue a statement detailing the Revenues received in accordance with the royalty or other report provided by the respective Third Party Licensee and the corresponding payment payable to the other Party, and shall concurrently remit the relevant payment to the other Party.

8. DILIGENCE

8.1**General**. Aptevo and Niowave shall use Commercially Reasonable Efforts (a) to perform Development Activities in accordance with the Development Plan, and (b) to enter into one or more Third Party License Agreements, or, in the alternative and subject to Sections 7.1 - 7.4, to enter into a license agreement in connection with a Partner Offer. Without limiting the foregoing, Aptevo agrees to provide up to three (3) Aptevo Molecules, and Niowave agrees to provide up to three (3) Niowave Radioisotopes, in each case for the conduct of the POC Study and the Development Plan. The Parties shall mutually agree upon the Aptevo Molecules to be provided by Aptevo, and the Niowave Radioisotopes to be provided by Niowave, and Schedule 8.1 shall be updated by the Parties to reflect the foregoing. At all times during the Term, (a) Niowave shall supply Aptevo (or a Third Party designated by Aptevo) with the Niowave Radioisotope that meet customary specifications to be agreed upon by the parties, in a quantity sufficient to allow Aptevo to perform the activities contemplated by the Development Plan (including, without limitation, pre-clinical and clinical activities) and on customary delivery, inspection and acceptance terms reasonably acceptable to Aptevo, (b) Niowave shall reasonably cooperate with Aptevo to ensure that the supply activities contemplated by clause (a) above are conducted in compliance with Applicable Law and (c) in the event that Aptevo seeks to purchase additional Niowave Radioisotope in connection with the Development Activities and Niowave is unable to supply such additional Niowave Radioisotopes pursuant to the terms hereof (whether due to insufficient capacity, termination of this Agreement pursuant to the terms hereof, or any other reason), Niowave shall use commercially reasonable efforts to assist Aptevo in locating an additional supplier for such Niowave Radioisotopes.

8.2**Change of Control**. In the event of a Change of Control of a Party, following the closing date of such Change of Control transaction, such Party that is undergoing the Change of Control (or the assignee of such Party if this Agreement is assigned pursuant to Section 15.14), shall continue to be bound by such Party's obligations to fund all Development Activities and Develop the Product in accordance with this Agreement and shall commit at least the same levels of personnel and financial resources to the same as were being committed (or expected to have been committed) by the Party undergoing the Change of Control prior to the closing date of such Change of Control (with reference to the definition of 'Commercially Reasonable Efforts' as it would apply to the Party undergoing the Change of Control immediately prior to the closing date of such Change of Control, rather than the definition as it would apply to the acquirer or assignee of such Party that is undergoing the Change of Control (or such Party, in the case of a reverse

merger)). Without limiting the foregoing, if, following the effective date of such Change of Control transaction, the Parties (i.e. either Aptevo or Niowave, on the one hand, and such Party that is undergoing the Change of Control (or the assignee of such Party if this Agreement is assigned pursuant to Section 15.14) on the other hand) cannot agree on an update to the Development Plan, then, absent such agreement the Development Forecast shall be automatically adopted as the Development Plan for the next year, and the Parties shall continue to work in good-faith to update the Development Forecast for the following year.

9. FINANCIALS

9.1 **Development Costs**.

9.1.1 Development Costs Through the End of Phase II Clinical Trials. The Parties shall split equally all external costs incurred in Development, including all external costs associated with GMP manufacturing (including cell line development, process development, formulation development and analytical development), which shall, for the avoidance of doubt, constitute Development Costs for all purposes of this Agreement. In addition to external costs of Development Activities, the Parties shall share equally any other Development Costs, and each Party shall keep a record of its FTEs used for Development. In preparing the Development Plan and conducting Development, the Parties will endeavor to contribute a relatively equal number of FTEs, and to avoid potential reimbursement to each other under Section 9.1.2 The Parties acknowledge that the number of FTEs used by a Party may vary at different stages of Development, with the intention of the Parties to achieve a balance over the Development Period. The Parties will exchange draft invoices setting forth each Party's Development Costs in a given calendar quarter (as further described in Section 9.1.4). The Parties will collaborate and use Commercially Reasonable Efforts to determine a single net payment owed by one Party to reimburse the other Party for fifty percent (50%) of the net excess of the other Party's Development Costs in such calendar quarter (thereby achieving the Parties' equal sharing of Development Costs).

9.1.2 Development Budget Controls Reimbursement. The Development Budget will control the reimbursable Development Costs incurred by each Party in performing Development Activities. The Development Budget may allow for a certain percentage of excess spending over the budgeted amount, and/or may establish a cap on spending that may not be exceeded without amendment of such Development Budget.

9.1.3 Budget Overruns.

(a) Each Party shall promptly inform the other Party upon determining that it is likely to exceed the budgeted amounts set forth in the current or any future annual Development Budget in accordance with Section 2.3.2.

(b) To the extent that a Party (or its Affiliates or subcontractors) incurs Development Costs for its Development Activities in a particular year that exceed the annual Development Budget allocated to such Party for such year by ten percent (10%) or less (a "**De Minimis Overage Amount**"), then such De Minimis Overage Amount shall automatically be included in the Development Budget for such Calendar Year.

(c) If a Party (or its Affiliates or subcontractors) incurs Development Costs for its Development Activities in a particular year that exceed the annual Development Budget allocated to such Party by more than ten percent (10%) (such excess over ten percent (10%), the "**Excess Overage Amount**"), then the Party that has so exceeded its budget shall provide to the Steering Committee a full explanation for so exceeding its budget. The Steering Committee shall promptly review and discuss such Excess Overage Amount and the reasons therefor, and following such discussion the Parties will agree to include some or an equitable percentage of the Excess Overage Amounts in the Development Budget if, in the reasonable good-faith belief of each Party, the Excess Overage Amount could not have been reasonably foreseen or avoided. If, or to the extent, the Parties do not agree to treat the Excess Overage Amount as Development Costs, then the Party that has exceeded the Development Budget for a Development Activity shall be solely responsible for the Excess Overage Amount, subject to Section 9.1.3(d).

(d) For the avoidance of doubt, and notwithstanding anything to the contrary in this Section 9.1.3, if a Party (or its Affiliates or subcontractors) incurs Development Costs for its Development Activities in a particular year that exceed the annual Development Budget allocated to such Party by more than ten percent (10%), as set forth in Section 9.1.3(c), then if (i) the Party that has so exceeded its budget delivered an Expected Overrun Notice in accordance with Section 2.3.6 and (ii) the other Party failed to timely respond to such Expected Overrun Notice within the time periods set forth in Section 2.3.6, then Parties will automatically include such Excess Overage Amount in the applicable Development Budget to be shared equally by the Parties.

9.1.4 Description of Development Costs. No later than the thirtieth (30th) day after the end of each quarter during the Development Period, each Party shall provide to the other Party a description of all Development Costs reasonably incurred in accordance with the Development Budget, including the number of FTEs. Each Party shall provide reasonable evidence supporting any claimed Development Costs upon a reasonable request from the other Party. All amounts specified in this Agreement or in the Development Budget are exclusive of Value Added Tax or any other sales tax or duties.

9.1.5 Process for Reimbursement of Development Costs. The Party responsible for a reimbursement payment to the other Party under Section 9.1.1) shall pay such reimbursement amount owed within thirty (30) days after the Parties' determination of such amount. Where any part of the reimbursement amount is disputed, reimbursement of the non-disputed part shall occur in accordance with this Section 9.1.5, and the Parties shall resolve the disputed part as expeditiously as possible in accordance with the baseball arbitration procedure set forth in Section 15.5.

9.2**Principles for Calculating Development Costs**. In calculating any Development Costs the following principles will apply:

9.2.1 Any Development Costs will be incurred on an arms-length basis and each Party will use reasonable efforts to minimize any such costs incurred;

9.2.2 Where any discounts or reductions are available in relation to any Development Costs incurred, such discounts or reductions will apply to any reimbursement under Section 9.1;

9.2.3 All Development Costs shall be calculated in US dollars, unless otherwise expressly provided in this Agreement. Development Costs incurred outside of the US shall be first determined in the currency in which they are incurred, and shall then be converted into an amount in US dollars in accordance with the incurring Party's standard procedures for accounting in accordance with its standard accounting practices;

9.2.4 Where any capital expenditure is required in relation to the Development Plan, such capital expenditure shall not be included in the Development Costs;

9.2.5 Any Development Costs will be provided for at the rate actually incurred or otherwise accounted for in the accounts of the Party that incurred such Development Costs;

9.2.6 To the extent that any Development Costs incurred by a Party are recoverable from a Third Party, such costs shall not be subject to reimbursement by the other Party under Section 9.1.

9.2.7 Where any Development Costs relate to both the Development Activities and any other work effort or research program applicable to either Party, the Development Costs shall be allocated between all applicable research programs on a reasonable pro-rata basis depending on the relative usage for each program; and

9.2.8 Any Development Costs shall be incurred in accordance with standard practice of the Parties (including any expense or travel policy) and shall be treated or accounted for in the same way as other similar costs of a Party.

9.3**Audit Right**. Where either Party disputes that any costs are not necessarily incurred in the performance of the Development Plan, the dispute shall first be referred to the CEOs in accordance with Section 15.4.2. Where the dispute is not resolved within thirty (30) days of such referral, either Party may conduct an audit pursuant to Section 10.2; provided that such audit will not count against a either Party's right to conduct an additional, general audit in the applicable year pursuant to Section 10.2.

10. TAXES; RECORDS; LATE PAYMENTS

10.1**Taxes**. All sums payable by one Party to the other Party under this Agreement shall be paid in full without any deductions (including deductions in respect of items such as income, corporation, or other taxes, charges and/or duties) except insofar as either Party is required by law to deduct withholding tax from sums payable to the other Party. If the paying Party is required by law to deduct withholding tax, then the Parties shall co-operate in all respects and take all reasonable steps necessary to (a) lawfully avoid the making of any such deduction or (b) to enable the receiving Party to obtain a tax credit in respect of the amount withheld.

10.2**Records**. Each Party shall maintain, and shall cause its Affiliates to maintain, complete and accurate records of Revenue and of all FTEs allocated and Development Costs

incurred by such Party and its Affiliates, which records may contain information provided by the other Party with respect to its Development Costs. A Party has the right to confirm the accuracy of any reports or notifications delivered by the other Party under this Section 10.2. Each Party and its Affiliates, as applicable, shall retain such records relating to a given period for at least five (5) years after the conclusion of that period, during which time each Party will have the right, at its expense, to cause an independent, certified public accountant (or, if a non-financial audit, other appropriate auditor) to inspect such records during normal business hours for the purposes of verifying the accuracy of any reports and payments delivered under this Agreement and each Party's and each Affiliate's compliance with the terms hereof. Such certified public accountant or other auditor, as applicable, shall not disclose to a Party any information other than information relating to the accuracy of reports and payments delivered under this Agreement. The Parties shall reconcile any underpayment or overpayment within thirty (30) days after the accountant delivers the results of the audit. If any audit performed under this Section 10.2 reveals an underpayment in excess of five percent (5%) in any calendar year, the audited Party shall reimburse the other Party for all amounts incurred in connection with such audit. A Party may exercise its rights under this Section 10.2 only once every year per audited entity, and only with reasonable prior written notice to the audited entity.

10.3**Late Payments**. Any payments by a Party that are not paid on or before the date such payments are due under this Agreement will bear interest at an annual rate equal the lower of (a) the prime rate effective for the date that payment was first due as reported by *The Wall Street Journal* plus one percentage point (1%) and (b) the maximum rate allowed by Applicable Law. Interest will accrue beginning on the first day following the due date for payment and will be compounded quarterly. Payment of such interest by a Party shall not limit, in any way, the other Party's right to exercise any other remedies that the other Party may have as a consequence of the lateness of any payment.

11. PATENT FILING, PROSECUTION AND MAINTENANCE; DEFENSE AND ENFORCEMENT

11.1**Patent Prosecution and Maintenance of Aptevo Patents**. With the exception of any Product Patents containing one or more claims to an Aptevo Molecule and a Niowave Radioisotope ("**Jointly Managed Product Patents**"), as between the Parties, Aptevo shall have the sole right to Prosecute the Aptevo Patents, and the costs of Prosecution of such Patents shall be borne by Aptevo.

11.2**Patent Prosecution and Maintenance of Niowave Patents**. With the exception of any Jointly Managed Product Patents, as between the Parties, Niowave shall have the sole right to Prosecute the Niowave Patents and the costs of Prosecution of Niowave Patents shall be borne by Niowave.

11.3**Prosecution Cooperation**. The Parties will keep each other informed with regard to the Prosecution of Aptevo Patents and Niowave Patents. The Parties will share and discuss all material aspects of Prosecution, including (a) material communications to and from any patent authorities, and (b) drafts of any material filings or responses to be made to such patent authorities. Such exchange of information shall be made sufficiently in advance in order to allow the other Party to review and comment thereon. The Prosecuting Party shall consider in good faith the

comments of the other Party with respect to strategies for filing and prosecuting such Patents. The Parties shall also strive to coordinate and align their activities under this Agreement in a professional and proactive manner.

11.4**Patent Prosecution and Maintenance of Jointly Managed Product Patents and Joint Patents**.

11.4.1Initial Phase/Patent filing. The Parties shall jointly decide on the optimal strategy for Prosecution of Jointly Managed Product Patents and Joint Patents through the Intellectual Property Subcommittee. The Parties shall endeavor to Prosecute the Jointly Managed Product Patents and Joint Patents in such a way as to broadly claim all inventions disclosed.

11.4.2Joint Patent Counsel. Aptevo and Niowave shall jointly retain patent counsel(s) (the "**Joint Patent Counsel(s)**") to Prosecute the Jointly Managed Product Patents and the Joint Patents with only one Joint Patent Counsel selected for each Jointly Managed Product Patent. Aptevo and Niowave shall both receive all official patent office correspondence relating to the Jointly Managed Product Patents and Joint Patents and shall be included on all material patent prosecution correspondence to and from the Joint Patent Counsel. Both Parties shall be given the opportunity to comment on all actions and review and comment on all draft responses prior to filing. The Parties agree that Aptevo shall be responsible for instructing Joint Patent Counsel on day-to-day Prosecution and any Jointly Managed Product Patents owned by it; *provided*, however, that such instructions must give reasonable consideration to all comments and changes requested by Niowave. The Parties agree that Niowave shall be responsible for instructing Joint Patent Counsel on day-to-day Prosecution of any Jointly Managed Product Patents owned by it; provided, however, that such instructions must give reasonable consideration to all comments and changes requested by Aptevo.

11.4.3Foreign Filing and Right to Take Over.

(a) The Parties shall collaborate on all Jointly Managed Product Patents and Joint Patent filing decisions, including the decision as to where to file national stage applications and where to validate European granted patents.

(b) If Aptevo or Niowave does not wish to Prosecute a particular Jointly Managed Product Patent or Joint Patent in a territory or jurisdiction, it shall notify the other Party in writing no less than four (4) weeks prior to the next deadline for any action that may be taken with respect to such Jointly Managed Product Patent or Joint Patent in such territory or jurisdiction, to allow the other Party, in its sole discretion, to assume the control and direction of the Prosecution of such Jointly Managed Product Patent or Joint Patent, at its sole expense.

(c) The Party not wishing to Prosecute a particular Jointly Managed Product Patent or Joint Patent shall execute such documents, and perform such acts, at the continuing Party's expense, as may be reasonably necessary to permit the other Party to Prosecute such Jointly Managed Product Patent or Joint Patent.

11.4.4Costs. Except as provided in Section 11.4.3(b), all external costs associated with Prosecution of the Jointly Managed Product Patents and Joint Patents, including filing fees,

translation, patent counsel or agent fees, and maintenance fees (but no internal costs of a Party), shall be equally shared by the Parties.

11.5**Defense of Third Party Claims**.

11.5.1Infringement of Third Party Patents. Subject to and without limiting the Parties' rights and the procedures set forth under this Article 11 and elsewhere in this Agreement, each of the Parties shall promptly, but in any event no later than ten (10) calendar days after receipt of notice thereof, notify the other Party in writing in the event of any claims by a Third Party of alleged patent infringement by a Party or any of their respective Affiliates or sublicensees with respect to the research, development, manufacture, use, sale, offer for sale or importation of a Product (each, an "**Infringement Claim**").

11.5.2 If a Party shall become engaged in or participate in any suit described in Section 11.5.1, the other Party shall cooperate, and shall cause its and its Affiliates' employees to cooperate, with such Party in all reasonable respects in connection therewith, including giving testimony and producing documents lawfully requested, and using its reasonable efforts to make available to the other, at no cost to the other (other than reimbursement of actually incurred, reasonable out-of-pocket travel and lodging expenses), such employees who may be helpful with respect to such suit, investigation, claim or other proceeding.

11.5.3 Each Party shall keep the other informed of the status of any infringement action or settlement. Any settlement that would involve the waiver of rights (including, but not limited to, the rights to receive payments) or a payment obligation of the other Party shall be deemed a material adverse impact and shall require the consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed. The Party involved in the litigation dispute shall provide the other Party with copies of all material correspondence from the opposing Third Party and from the court adjudicating the dispute, and shall be provided with draft pleadings and motions prior to submission and any settlement offers and documentation in connection with such Infringement Claim.

11.6**Prosecution of Infringers**.

11.6.1Notice. Except to the extent conflicting with the terms of a Third Party License Agreement, if either Party receives notice of any declaratory judgment action or becomes aware of any infringement of any issued Aptevo Patent, Niowave Patent or Joint Patent by the development, manufacture, sale or other activity by a Third Party in respect of any pharmaceutical product containing (a) both an Aptevo Molecule and a Niowave Radioisotope or (b) an Aptevo Molecule or Niowave Radioisotope and shares a therapeutic indication as the Product (an "**Infringing Product**"), it will promptly notify the other Party of such declaratory judgement action or infringement in writing, and the Parties will consult with each other regarding any actions to be taken with respect to such declaratory judgement action or infringing activity. For any infringement action pursued under Section 11.6.2, the Parties shall share with each other all relevant information reasonably available to it regarding such alleged infringement (subject to any confidentiality obligations to Third Parties), pursuant to a mutually agreeable "common interest agreement" executed by the Parties under which the Parties agree to their shared, mutual interest in the outcome of any actions to enforce such Patents against such Infringing Product Infringement.

Unless the Parties otherwise agree, enforcing Party in such action shall be determined in accordance with the rules set forth in Section 11.6.2.

11.6.2Enforcement of Patents.

(a) Aptevo and Niowave Patents. During the Development Period, unless a Party has Opted-Out pursuant to Section 14.2.1 or terminated pursuant to Sections 14.2.2 or 14.2.3, the Parties shall have the joint right, but neither Party shall be obligated, to take the appropriate steps to enforce any Patent within the Niowave Patents, Aptevo Patents, against an Infringing Product.

(b) Joint Patents. During the Development Period, unless a Party has Opted-Out pursuant to Section 14.2.1 or Terminated pursuant to Sections 14.2.2 or 14.2.3, the Parties shall have the joint right, but neither Party shall be obligated, to take the appropriate steps to enforce or defend any Patent within the Joint Patents against any Third Party infringer (such right to not be limited to the Infringing Product).

(c) Joint Enforcement. If Niowave and Aptevo elect to jointly enforce any Patent(s) pursuant to Sections 11.6.2(a) or (b), as applicable, the Parties shall be jointly responsible for, and shall bear equally, all costs and expenses of any such suit brought by them. If one Party elects not to participate in the infringement action and the Parties have not obtained a discontinuance of the infringement, then the other Party shall have the right, but not the obligation, to bring suit; *provided* that the pursuing Party shall bear all of the expenses of such suit. The other Party will cooperate with the pursuing Party in any such suit, including joining any suit upon request of the other Party, and shall have the right to consult with the pursuing Party and to participate in and be represented by independent counsel in such litigation at its own expense. Any recoveries obtained by the pursuing Party as a result of any such proceeding against a Third Party infringer shall be allocated as follows: (i) such recovery shall first be used to reimburse the pursuing Party for all reasonable out-of-pocket litigation expenses incurred by such pursuing Party, and, then, to reimburse the non-pursuing Party for all out-of-pocket litigation expenses incurred by such non-pursuing Party; and (ii) seventy-five percent (75%) of the remainder of the recovery shall go to the pursuing Party and twenty-five percent (25%) shall go to the other Party. The enforcing Party shall not take any position with respect to, or compromise or settle, any such infringement actions in any way that is reasonably likely to directly and adversely affect the scope, validity or enforceability of any Patents solely owned by the other Party without such other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(d) Opt-Out. If either Party Opts-Out pursuant to Section 14.2.1 or the Agreement terminates pursuant to Sections 14.2.2 or 14.2.3 or the Agreement is terminated pursuant to Section 14.2.4, the Continuing Party (and its Third Party Licensees) shall have the sole right (but not the obligation) to take the appropriate steps to enforce any Joint Patents or Patents owned solely by the Continuing Party against a Third Party infringer (other than the Jointly Managed Patents), and the Continuing Party (and its Third Party Licensees) shall have the first right (but not the obligation) to take the appropriate steps to enforce Jointly Managed Product Patents against an Infringing Product; *provided* that the Continuing Party provides copies of all material correspondence from the opposing party and from the court adjudicating the dispute and the Terminated Party shall be provided with draft pleadings and motions prior to submission. The

Terminated Party shall make any declaration and execute any document necessary for the Continuing Party to take the steps set out in the first sentence of this subsection (d), including joining any suit upon request of the other Party. The enforcing Party shall not take any position with respect to, or compromise or settle, any such infringement action in any way that is reasonably likely to directly and adversely affect the scope, validity or enforceability of any Patents solely owned by the other Party without such other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(e) Licenses. If a Third Party License Agreement exists, the Parties shall comply with its terms relating to the enforcement of Patents in respect of an Infringing Product. If the Third Party Licensee exercises its right to sue under the Third Party License Agreement, the Parties shall equally share any funds recovered that are not retained by the Third Party Licensee. If the Third Party Licensee does not exercise its right to sue under the Third Party License Agreement, then the Parties shall have a right to commence such infringement action in accordance with subsections (a) - (c), to the extent not in conflict with the rights granted under such Third Party License Agreement.

12. WARRANTIES; LIMITATION OF LIABILITY

12.1 **Mutual Representations, Warranties and Covenants**. Each Party hereby represents and warrants to the other Party, as of the Effective Date, and covenants that:

12.1.1 it is a corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization;

12.1.2 it has the power and authority to execute, deliver and perform this Agreement, including to grant rights under this Agreement to the other Party;

12.1.3 it will comply with all Applicable Laws relating to the development, manufacture, use, sale and importation of Products;

12.1.4 it is not under any obligation, contractual or otherwise, to any person that conflicts with or is inconsistent in any respect with the terms of this Agreement, or that would impede the diligent and complete fulfillment of its obligations hereunder; and

12.1.5 neither it nor any of its Affiliates has been debarred by the FDA, or is subject to any similar sanction of other regulatory authorities, and neither it nor any of its Affiliates has used, or will engage, in any capacity, in connection with this Agreement or any ancillary agreements (if any), any person who either has been debarred by such a regulatory authority, or is the subject of a conviction described in Section 306 of the FFDCA. Each Party shall inform the other Party in writing promptly if it or any person engaged by such Party or any of its Affiliates who is performing any activities under or in connection with this Agreement or any ancillary agreements (if any) is debarred or is the subject of a conviction described in Section 306 of the FFDCA, or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to its knowledge, is threatened, relating to the debarment or conviction of such Party, any of its Affiliates or any such person performing activities.

12.2**Representations, Warranties and Covenants of Niowave**. As of the Effective Date, Niowave hereby represents, warrants and covenants to Aptevo that:

12.2.1 Schedule 1.4 contains an accurate listing by owner, inventor(s), serial number, filing date, country, and status of all Patents Controlled by Niowave as of the Effective Date that, to Niowave's knowledge, may be necessary or useful for the Development, Commercialization, manufacture, use, offer for sale, sale or import of the Product as contemplated herein;

12.2.2 To Niowave's knowledge, each of the patent applications listed in Schedule 1.4 or included in the Niowave Patents is currently pending and in good standing, and has not been abandoned.

12.2.3there are no claims, judgments or settlements against or owed by Niowave with respect to the Niowave Technology;

12.2.4there is no fact or circumstance known to Niowave that would cause Niowave to reasonably conclude that any of the issued Niowave Patents is invalid or unenforceable;

12.2.5there are no pending, and to Niowave's knowledge, no threatened, adverse actions, suits or proceedings (including interferences, reissues, reexaminations, cancellations, oppositions, nullity actions, invalidation actions or post-grant reviews) against Niowave involving the Niowave Technology;

12.2.6 Niowave has not received any written notice or written threat from any Third Party asserting or alleging that the use of Niowave Technology (a) infringes the issued patents of such Third Party, or (b) misappropriates the intellectual property rights of such Third Party; and

12.2.7to Niowave's knowledge, no Third Party is infringing or has infringed any issued Niowave Patent or has misappropriated any Niowave Know-How.

12.2.8 Niowave shall obtain and maintain in force, at its own expense, all licenses required by the Nuclear Regulatory Commission for its performance under this Agreement, including a specific license for the manufacture, production, receipt, possession, preparation, use, or transfer of Niowave Radioisotopes, and shall remain in compliance as required under such license.

12.2.9 Niowave shall ensure that any Third Party with which it engages related to its performance under the Agreement has obtained and is in compliance with any applicable licenses required by the Nuclear Regulatory Commission regarding the manufacture, production, receipt, possession, preparation, use, or transfer of Niowave Radioisotopes and the Product, provided that the Third Party is engaging in the aforementioned activities.

12.3**Representations, Warranties and Covenants of Aptevo**. As of the Effective Date, Aptevo hereby represents, warrants and covenants to Niowave that:

12.3.1 Schedule 1.4 contains an accurate listing by owner, inventor(s), serial number, filing date, country, and status of all Patents Controlled by Aptevo as of the Effective Date that, to Aptevo's knowledge, may be necessary or useful for the Development, Commercialization, manufacture, use, offer for sale, sale or import of the Product as contemplated herein;

12.3.2 To Aptevo's knowledge, each of the patent applications listed in Schedule 1.4, or otherwise included in the Aptevo Patents, is currently pending and in good standing, and has not been abandoned.

12.3.3there are no claims, judgments or settlements against or owed by Aptevo with respect to the Aptevo Technology;

12.3.4there is no fact or circumstance known to Aptevo that would cause Aptevo to reasonably conclude that any of the issued Aptevo Patents is invalid or unenforceable;

12.3.5there are no pending, and to Aptevo's knowledge, no threatened, adverse actions, suits or proceedings (including interferences, reissues, reexaminations, cancellations, oppositions, nullity actions, invalidation actions or post-grant reviews) against Aptevo involving the Aptevo Technology;

12.3.6 Aptevo has not received any written notice or written threat from any Third Party asserting or alleging that the use of Aptevo Technology (a) infringes the issued patents of such Third Party, or (b) misappropriates the intellectual property rights of such Third Party; and

12.3.7to Aptevo's knowledge, (a) no Third Party is infringing or has infringed any issued Aptevo Patent or has misappropriated any Aptevo Know-How.

12.4**No Warranty**.

12.4.1NOTHING CONTAINED HEREIN SHALL BE DEEMED TO BE A WARRANTY BY NIOWAVE OR APTEVO THAT IT CAN OR WILL BE ABLE TO OBTAIN PATENTS ON PATENT APPLICATIONS INCLUDED IN THE PATENTS, OR THAT ANY OF THE PATENTS WILL AFFORD ADEQUATE OR COMMERCIALLY WORTHWHILE PROTECTION.

12.4.2NEITHER PARTY MAKES ANY WARRANTIES WHATSOEVER AS TO THE COMMERCIAL OR SCIENTIFIC VALUE OF DEVELOPMENT, DEVELOPMENT DATA, PATENTS, MATERIALS OR TECHNOLOGY. NEITHER PARTY MAKES ANY REPRESENTATION THAT THE PRACTICE OF THE PATENTS OR USE OF THE DEVELOPMENT DATA, MATERIALS OR TECHNOLOGY, OR THE DEVELOPMENT, MANUFACTURE, USE, SALE OR IMPORTATION OF ANY PRODUCT, OR ANY ELEMENT THEREOF, WILL NOT INFRINGE THE PATENT OR PROPRIETARY RIGHTS OF ANY THIRD PARTY.

12.4.3EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY WITH RESPECT TO ANY TECHNOLOGY, DEVELOPMENT, DEVELOPMENT DATA, PATENTS, GOODS,

SERVICES, RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT AND EACH HEREBY DISCLAIMS WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT WITH RESPECT TO ANY AND ALL OF THE FOREGOING.

12.5**Limitation of Liability**. A Party will not be liable to the other Party with respect to any subject matter of this Agreement under any contract, negligence, strict liability or other legal or equitable theory for any indirect, incidental, consequential or punitive damages or lost profits, except to the extent such damages are claimed by a Third Party for such Party is required to indemnify the other Party under Article 11, arise out of a breach of Article 5 or from the gross negligence or willful misconduct of a Party.

13. INDEMNIFICATION

13.1**Aptevo**. Aptevo shall indemnify, hold harmless and defend Niowave, its Affiliates and licensors, and their directors, officers, employees and agents (collectively, the "**Niowave Indemnitees**") from and against any and all losses, expenses, cost of defense (including reasonable attorneys' fees, witness fees, damages, judgments, fines and amounts paid in settlement) ("**Losses**") arising in connection with any and all charges, complaints, actions, suits, proceedings, hearings, investigations, claims, demands, judgments, orders, decrees, stipulations or injunctions by a Third Party (each a "**Third Party Claim**") to the extent resulting or otherwise arising from:

(a) the gross negligence, or willful misconduct or act or failure to act of Aptevo or any of its Affiliates;

(b) any breach by Aptevo of its representations, warranties under this Agreement;

(c) the infringement or misappropriation of intellectual property rights of a Third Party arising from the manufacture of Product, excluding any manufacturing processes specific to the Binding Domains of the Product and further excluding any improvement or modification to the manufacturing process jointly requested by the Parties, in each case, in connection with the Development Activities; and

(d) except to the extent provided in subsections (a) through (c) above or Section 13.2(a) through 13.2(c) below, fifty percent (50%) of all other Losses arising out of Development Activities.

13.2**Niowave**. Niowave shall indemnify, hold harmless and defend Aptevo, its Affiliates and licensors, and their directors, officers, employees and agents (collectively, the "**Aptevo Indemnitees**") from and against any and all Losses arising in connection with any and all Third Party Claims to the extent resulting or otherwise arising from:

(a) the gross negligence, or willful misconduct or act or failure to act of Niowave or any of its Affiliates;

(b) any breach by Niowave of its representations, warranties under this Agreement;

(c) the infringement or misappropriation of intellectual property rights of a Third Party arising from the use of the Niowave antibody library, excluding the use of any Binding Domain in the Product, in each case, in connection with the Development Activities; and

(d) except to the extent provided in subsections (a) through (c) above or Section 13.1(a) through (c) above, 50% of all other Losses arising out of Development Activities.

13.3 **Procedure**. In the event of a Third Party Claim against an Niowave Indemnitee or an Aptevo Indemnitee (an "**Indemnified Party**") that is subject to indemnification by the other Party (the "**Indemnifying Party**") pursuant to Section 13.1 or 13.2, as applicable, the Indemnified Party shall promptly notify the Indemnifying Party in writing of the Third Party Claim, and the Indemnified Party shall permit the Indemnifying Party to assume direction, undertake and solely manage and control, at its sole expense, the defense of the Third Party Claim (including the right to settle the Third Party Claim solely for monetary consideration). The Indemnified Party shall cooperate with the Indemnifying Party as reasonably requested in the defense of the Third Party Claim, and may, at its option and expense, be represented in any such action or proceeding by counsel of its choice. The Indemnifying Party shall not settle any such Third Party Claim unless such settlement fully and unconditionally releases the Indemnified Party from all liability relating thereto, and does not impose any cost or restriction on the Indemnified Party, unless the Indemnified Party otherwise agrees in writing, which agreement shall not be unreasonably withheld, conditioned, or delayed.

14. TERM AND TERMINATION

14.1 **Term**. The term of this Agreement shall commence on the Effective Date and, unless earlier terminated as provided in this Article 14, shall continue in full force and effect until the expiration of the last active Third Party License Agreement and the expiration of all payment obligations under this Agreement, including Section 14.4 (the "**Term**").

14.2 **Termination**.

14.2.1 Opt Out.

(a) Generally. Each Party shall have the right to elect not to continue the Development Activities and sharing of Development Costs ("**Opt-Out**") (the Party so electing hereinafter referred to as the "**Opt-Out Party**"), by sending notice thereof to the other Party (the "**Opt-Out Notice**") during specified time periods (each such period an "**Opt-Out Window**"). Each Opt-Out Window will commence on the date upon which one of the events specified in Schedule 14.2.1 occurs, and will remain open for a continuous sixty (60) day period following such commencement, as may be extended in accordance with Section 14.2.1.

(b) Consideration Period. If either Party delivers an Opt-Out Notice in accordance with Section 14.2.1(a) above during an Opt-Out Window, then the applicable Opt-Out Window will be automatically extended for a period of sixty (60) days from the date the non-Opt-Out Party received the Opt-Out Notice (the "**Consideration Period**") in order to permit such Party to evaluate whether it wishes to continue Development Activities as the sole developing Party. To that end, prior to the expiration of the Consideration Period, the non-Opt-Out Party shall

notify the Opt-Out Party whether it (i) intends to continue the Development Activities as the sole developing Party, or (ii) intends to exercise its right to Opt-Out.

(c) Effective Date of Opt-Out. If only one Party elects to Opt-Out, then the Opt-Out shall be effective one hundred and eighty (180) days after the date of receipt of the Opt-Out Notice (the "**Opt-Out Date**"). If, during the Consideration Period, the non-Opt-Out Party does not elect to continue Development and delivers a notice to the other Party in respect of the same (the "**Final Notice**"), then this Agreement shall be deemed mutually terminated (irrespective of which Party delivered the initial Opt-Out Notice) and the Parties will mutually agree upon, in writing a Wind Down plan (the "**Wind Down Plan**") describing the Parties' obligations with respect to winding down Development Activities related to the product, and to cooperate to timely wind down all Development Activities related to the Product. For the avoidance of doubt, if one Party delivers an Opt-Out Notice, and the second Party delivers a Final Notice, then, for the purposes of this Agreement, the Opt-Out Date shall be considered the date of delivery of the Final Notice, and the Parties shall share equally in all Development Costs incurred in the period between the initial Opt-Out Notice and the delivery of the Final Notice.

14.2.2Termination for Default. If a Party commits a material breach of its obligations under this Agreement and fails to cure that breach within sixty (60) days after receiving written notice describing such material breach and demanding its cure, the other Party may terminate this Agreement immediately upon written notice to the breaching Party; provided, that if such breach is unable to be cured within such sixty (60)-day period, but is curable within a longer period, then the non-breaching Party's right to terminate shall be suspended only if and for so long as the breaching Party has provided to the non-breaching Party a written plan that is reasonably calculated to effect a cure, and the breaching Party uses Commercially Reasonable Efforts to diligently carry out such plan as provided to the non-breaching Party.

14.2.3Bankruptcy. A Party may terminate this Agreement upon notice to the other Party if the other Party becomes insolvent, is adjudged bankrupt, applies for judicial or extra-judicial settlement with its creditors, makes an assignment for the benefit of its creditors, voluntarily files for bankruptcy or has a receiver or trustee (or the like) in bankruptcy appointed by reason of its insolvency, or if an involuntary bankruptcy action is filed against a Party and not dismissed within sixty (60) days, or if a Party becomes the subject of liquidation or dissolution proceedings or otherwise discontinues doing business.

14.2.4Termination at Stage Gate. Unless the Parties mutually agree in writing within ninety (90) days of completion of any Stage Gate Review to proceed to the next Stage Gate or continue the Development Activities (in which case this Agreement shall remain in full force and effect), this Agreement will be automatically terminated as of the expiration of such ninety (90) day period. Upon any termination pursuant to this Section 14.2.4, Sections 14.2.1, 14.3, 14.4, 14.5 and 14.7 shall apply *mutatis mutandis*, with the Party that elected to proceed to the next Stage Gate or continue the Development Activities (as applicable) to be deemed the "Continuing Party" and the Party that did not so elect to be deemed the "Opt-Out Party" and the "Non-Continuing Party".

14.3**Effect of Termination**

14.3.1Product, Joint Technology and Development Data Are Transferred to Continuing Party. If a Party Opts-Out pursuant to Section 14.2.1 or a Party terminates this Agreement under Sections 14.2.2, or 14.2.3 or this Agreement is terminated under Section 14.2.4 (the Opt-Out Party or such terminating Party, the "**Terminating Party**", and the other Party, the "**Terminated Party**"), then from and after the Opt-Out Date or the effective date of termination, as applicable (the Opt-Out Date or the effective date of termination, as applicable, the "**Termination Date**"), the Opt-Out Party or the Terminated Party, as the case may be, shall:

(a) cease all Development Activities, and all rights (except rights in the Joint Technology and Development Data as set forth herein) and licenses granted to such Party shall be automatically terminated and shall revert to the other Party as of the Termination Date (unless the Parties otherwise mutually agree in writing); *provided* that the Opt-Out Party or the Terminated Party, as the case may be, shall continue to meet its obligations under this Agreement during the period preceding the Termination Date, including performance of the Development Plan using the same level of effort (on average) as it used to perform Development Activities during the previous two (2) years;

(b) assign to the Continuing Party all INDs in respect of the Product;

(c) grant the Continuing Party an exclusive license (with right to sublicense through multiple tiers) under the Joint Technology and, if Niowave is the Opt-Out Party or Terminated Party, under Niowave Technology or, if Aptevo is the Opt-Out Party or Terminated Party, under Aptevo Technology to Develop and Commercialize the Product in the Territory in the Field.

(d) continue to be obligated to pay for 50% of any Development Costs incurred prior to the Termination Date; and

(e) before or promptly after the Termination Date, transfer to the other Party (by assignment (to the extent possible), contract or otherwise) Product-specific Regulatory Materials, any agreements with Third Parties related to the Development, or Commercialization of the Product (such agreements shall be assigned to the Continuing Party to the extent possible, and if not possible, such rights shall be transferred by means of contract, or with each Party's full cooperation, by means of a direct agreement between the Continuing Party and such Third Party(ies)) and all jointly owned tangible materials (excluding, for the avoidance of doubt, the Development Data). Each Party shall take all actions and execute such instruments, assignments and documents as may be necessary to effect, evidence, register and record the transfer, assignment or other conveyance of rights under this Section 14.3.1 to the Continuing Party.

(f) For the avoidance of doubt, the Non-Continuing Party shall maintain ownership rights in the Joint Technology and Development Data, pursuant to Sections 2.4.3 and 4.2.2, as applicable.

14.3.2Post-Termination Agreement. Upon request of either Party following the Termination Date, the Parties will negotiate in good faith the commercially reasonable terms and conditions of a license, development and commercialization agreement that will enable such Continuing Party to advance the Product, either itself or with an Affiliate or Third Party, including

the terms set forth in this Agreement that would apply and/or that would clarify the terms set forth in this Agreement with respect to the continuing Development or Commercialization of the Product by the Continuing Party. In any event the Opt-Out Party or, if applicable, the Terminated Party shall be eligible to receive remuneration pursuant to Section 14.4. The Opt-Out Party or, if applicable, the Terminated Party shall be reimbursed by the Continuing Party for reasonable costs that it incurs as part of its activities in 14.3.1.

14.3.3Continuing Party Bears Costs. Following the Termination Date, as between the Parties, the Continuing Party shall be solely responsible for all costs of Development, manufacture, regulatory matters and Commercialization of the Product.

14.4**Opt-Out or Termination Financials**. In the case of any Opt-Out or termination of this Agreement pursuant to Sections 14.2.2, 14.2.3 or 14.2.4, the Opt-Out Party or, if applicable, the Terminated Party shall be entitled to receive, as applicable, (a) a percentage of Revenue from any Third Party License that is Developing or Commercializing the Product under any Third Party Licensee, as set forth in Section 14.4.1, and, (b) a percentage of Net Sales of the Product made by or on behalf of the Continuing Party or its Affiliates, as set forth in Section 14.2.2. The Continuing Party shall be responsible for making all such payments in accordance with the procedure set forth in Section 14.4.3.

14.4.1Allocable Percentage of Revenue; Revenue Sharing. In the case of any Opt-Out or termination of this Agreement pursuant to Sections 14.2.2 or 14.2.3, the Opt-Out Party or the Terminated Party shall be entitled to a percentage of Revenue received from a Third Party Licensee (prior to any allocation of such Revenue to a Third Party providing Third Party Development Funding) equal to the following percentage (the "**Allocable Percentage of Revenue**" or the "**APR**"):

$APR = Cost_{OOP} \times 75\% / (Cost_{OOP} + Cost_{CP})$

where:

$Cost_{OOP}$ equals the total Development Costs paid by the Opt-Out Party; and

CostCP equals the sum of (i) total Development Costs paid by the Continuing Party and (ii) any Third Party Development Funding pursuant to any agreement with a Continuing Party to the extent directly allocable to the continued Development of the Product, in each case, prior to the date of the applicable Third Party License Agreement;

Provided, that (1) if the date of the applicable Third Party License Agreement is 12 months or less after the Termination Date, then the formula shall be adjusted as follows:

$APR = Cost_{OOP} \times 87.5\% / (Cost_{OOP} + Cost_{CP})$

where:

$Cost_{OOP}$ equals the total Development Costs paid by the Opt-Out Party; and

$Cost_{CP}$ equals the sum of (i) total Development Costs paid by the Continuing Party and (ii) any Third Party Development Funding pursuant to any agreement with a Continuing Party to the extent directly allocable to the continued Development of the Product, in each case, prior to the date of the applicable Third Party License Agreement;

And *provided further* that in no event shall the Applicable Percentage of Revenue, in each such case (a) be less than 10% during the initial three years of following the Effective Date and (b) be less than 20% from the third anniversary of the Effective Date through the end of the Term.

For the avoidance of doubt, this Section 14.4.1 does not apply to Revenue generated by sales of Product by the Continuing Party or its Affiliates, which is addressed in Section 14.4.2.

14.4.2Opt-Out Royalty on Net Sales. In the case of any Opt-Out or termination of this Agreement pursuant to Sections 14.2.2 or 14.2.3, the Opt-Out Party or the Terminated Party shall be entitled to a percentage of Net Sales of the Product made by the Continuing Party or its Affiliates equal to the amounts set forth in the table below and based on the Termination Date, which shall be payable for the period commencing upon the first commercial sale of the Product and continue on a Product-by-Product and country-by-country basis, which shall be payable for the period commencing upon the first commercial sale of the Product and continue on a Product-by-Product and country-by-country basis ending on the later of (a) the expiration of the last to expire Valid Claim of all of the (i) Joint Patents and (ii) any Aptevo Patents (solely in the case that Niowave is the Continuing Party) or (iii) the Niowave Patents (solely in the case that Niowave is the Continuing Party), in each case of (i)-(iii) that covers the composition of matter, method of manufacture, use, sale or import of such Product in such country, and (b) fifteen (15) years from the date of the first commercial sale of such Product in such country.

Termination Date	**Royalty Rate**
Prior to filing the IND for a Product	2% of Net Sales of the Product
After filing the IND and prior to the Completion of the first Phase I Clinical Trial for a Product	4% of Net Sales of the Product
After Completion of the first Phase I Clinical Trial for a Product and prior to the Completion of the first Phase II Clinical Trial for a Product	6% of Net Sales of the Product
After Completion of the first Phase II Clinical Trial for a Product and prior to the Completion of the first Phase III Clinical Trial for a Product	8% of Net Sales of the Product

The Parties agree that, similar to the Revenue sharing in Section 14.4.1 such royalties reflect compensation for the grant of rights (including the license grants to Patents and other intellectual property under Section 14.3.1(c)) and for the costs and risk sharing undertaken by the Terminating Party prior to the Termination Date. Accordingly and for reasons of convenience, the Parties have determined that a single, blended royalty rate, regardless of the existence of any relevant Patents or other intellectual property, will apply and that the utilization of such blended royalty rate is advantageous to both Parties.

14.4.3Payment Terms for Opt Out and Termination Payments. If the Continuing Party (a) receives any Revenue or (b) generates Net Sales, in each case, in a given calendar quarter following the Termination Date, then the Continuing Party shall provide to the other Party, within sixty (60) days after the end of such calendar quarter a written report (each, a "**Financial Report**") detailing the Revenue received and/or Net Sales booked in such calendar quarter. The Financial Report shall include: (i) the amount of Revenue received in such calendar quarter (identified by Third Party Licensee); (ii) the Net Sales of Product generated during such calendar quarter by or on Behalf of the Continuing Party and its Affiliates; (iii) a detailed calculation of the Allocable Percentage of Revenue (including an identification and summary of any Project Investment applicable to such calculation); (iv) the total amount of deductions from gross sales invoiced to determine Net Sales and a description of such deductions or credits taken; and (v) the applicable royalty rate for any Product. The Continuing Party shall pay to the Opt-Out Party or Terminated Party any amounts required by Section 14.4 simultaneously with the delivery of the Financial Report.

14.5**Accruing Obligations**. Expiration or termination of this Agreement shall not relieve the Parties of obligations accruing prior to such termination or expiration, including obligations to pay amounts accruing hereunder up to the effective date of termination or expiration.

14.6**Rights in Bankruptcy**. All rights and licenses granted under or pursuant to this Agreement by one Party to the other Party are, and will otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws, licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws. A Party that is a licensee of such rights under this Agreement will retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws. In the event of the commencement of a bankruptcy proceeding by or against a Party to this Agreement under the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws, the other Party will be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, will be promptly delivered to it (a) upon any such commencement of a bankruptcy or insolvency proceeding upon its written request therefor, unless the bankrupt Party elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under (a) above, following the rejection of this Agreement by or on behalf of the bankrupt Party upon written request therefor by the other Party. The Parties acknowledge and agree that all payments required to be made under Sections 7.7 and 14.4.2 constitute "royalties" within the meaning of Section 365(n) of the Bankruptcy Code or relate to licenses of intellectual property hereunder.

14.7**Right to Satisfy Failure to Pay Development Costs**. Each Party is authorized by the other Party to set off an amount equal to one hundred and fifty percent (150%) of the undisputed amounts owed by such Party (less any such amount actually paid) as a result of the Parties incurring Development Costs under this Agreement (such amounts either as agreed by the Parties or as determined by final resolution in accordance with Section 15.4), against any Revenue sharing or royalty payments, if any, owed to the other Party under Section 14.4.

14.8**Survival**. The Parties' respective rights, obligations and duties under Articles 1, 5, 9 (solely with respect to payment obligations that have accrued prior to the effective date of termination or expiration), 10, 13 and 15, along with individual Sections 2.4.1, 2.4.3(a), 2.6, 2.7, 2.8, 4.1 - 4.7, 6.2, 7.5.2 (with respect to the terms of any Third Party License), 7.8 (with respect to the terms of the Third Party License), 11.6.2(d), 12.4, 12.5, and 14.3 – 14.8 as well as any rights, obligations and duties which by their nature extend beyond the expiration or termination of this Agreement, shall survive any expiration or termination of this Agreement.

15. MISCELLANEOUS

15.1**Entire Agreement**. This Agreement is the sole agreement with respect to the subject matter hereof and except as expressly set forth herein, supersedes all other agreements and understandings between the Parties with respect to the same.

15.2**Notices**. Unless otherwise specifically provided, all notices required or permitted by this Agreement shall be in writing and may be delivered personally, or may be sent by electronic mail, expedited delivery, or certified mail, return receipt requested, to the following addresses, unless the Parties are subsequently notified of any change of address in accordance with this Section 15.2:

If to Aptevo Aptevo Research and Development LLC
Attn.: General Counsel
Address:
Aptevo Therapeutics
2401 4th Ave. Suite 1050
Seattle, WA 98121

If to Niowave Niowave, Inc.
Attn.: President
Address:
1012 N. Walnut St.
Lansing, MI 49806

Any notice shall be deemed to have been received as follows: (a) by personal delivery, upon receipt; (b) by electronic mail or expedited delivery, one business day after transmission or dispatch; and (c) by certified mail, as evidenced by the return receipt. If notice is sent by electronic mail, a confirming copy of the same shall be sent by mail to the same address.

15.3**Governing Law and Jurisdiction**. This Agreement, all rights and obligations hereunder, and any claims arising in connection with the activities conducted hereunder or the breach of its terms and conditions, whether sounding in contract, tort or otherwise, will be

governed by, and construed in accordance with, the substantive laws of the State of New York (USA), without giving effect to any choice or conflict of law provision, except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent shall have been granted.

15.4**Dispute Resolution Generally**.

15.4.1Disputes. The Parties recognize that, from time to time during the Term, disputes may arise as to certain matters which relate to either Party's rights and/or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Section 15.4 to resolve all disputes, controversies or claims arising out of, relating to or in connection with this Agreement (including any question regarding its formation, existence, validity, enforceability, performance, or termination) (a "**Dispute**").

15.4.2Negotiation. The Parties shall endeavor in good faith to resolve any Dispute by negotiation. If either Party gives notice in writing to the other Party that a Dispute has arisen, and the Parties are unable to resolve such Dispute within thirty (30) calendar days of such notice, then the Dispute shall be referred to the CEO of Aptevo and the CEO of Niowave (the "**CEOs**"). If the CEOs are unable to resolve the dispute within thirty (30) calendar days after referral of the Dispute ("the **CEO Negotiation Period**"), then either Party may submit the Dispute to arbitration in accordance with Section 15.4.3.

15.4.3Arbitration. Except for Disputes resolved by the procedures set forth in Sections 15.5 and other than those intellectual property related disputes described in Section 15.6, all Disputes that remain unresolved after the CEO Negotiation Period shall be finally resolved through arbitration administered by the International Centre for Dispute Resolution ("**ICDR**") under its International Arbitration Rules ("**ICDR Rules**"), as modified by the remainder of this Section 15.4.3.

(a) The number of arbitrators shall be one if the amount in dispute is less than $3,000,000 or three if the amount in dispute is $3,000,000 or higher. The amount in dispute shall be determined following submission of the Answer to the Notice of Arbitration and take into account the monetary value of the counterclaims (if any). If there is a sole arbitrator, that arbitrator shall be nominated jointly by the Parties within fifteen (15) days after submission of the Answer. If there are two arbitrators, the Parties shall each nominate one arbitrator within fifteen (15) days after submission of the Answer, and the third arbitrator, who shall be the presiding arbitrator, shall be jointly nominated by the two-Party nominated arbitrators in consultation with the Parties within fifteen (15) days of the appointment of the second arbitrator. If any arbitrator is not nominated within these time periods, the ICDR shall appoint such arbitrator in accordance with the ICDR Rules. Neither the sole arbitrator nor the presiding arbitrator (as applicable) shall have the same nationality as either Party or its parent company. Each arbitrator shall comply with the requirements of the IBA Guidelines on Conflicts of Interest in International Arbitration.

(b) The seat, or legal place of arbitration shall be New York, New York. The language of the arbitration shall be English. Any written evidence originally in another

language shall be submitted in English translation accompanied by the original or a true copy thereof. In addition to the authority conferred upon the arbitral tribunal by the ICDR Rules, the arbitrators shall have the authority to order production of documents and shall be guided by the IBA Rules on the Taking of Evidence in International Arbitration.

(c) The arbitrators shall be instructed and required (a) to deliver (a) a draft award within 45 days of the conclusion of the taking of evidence, and each of the Parties may provide comments thereon within 10 days after its receipt of such draft resolution; and (b) to render a final award, which shall be delivered to the Parties as expeditiously as possible, but in no event more than 90 days after conclusion of the taking of evidence; *provided* that, if the arbitrators are unable to meet the foregoing timelines despite the use of their respective best efforts to do so, then the arbitrators shall have the authority to extend any of the foregoing timelines as necessary in connection with delivery of a final award.

(d) The award issued by the arbitrators shall be final and binding. A judgment recognizing or enforcing such award may be entered in any court of competent jurisdiction. Each Party agrees that, notwithstanding any provision of Applicable Law or of this Agreement, it shall not request, and the arbitrators shall have no authority to award, punitive or exemplary damages against any Party. Neither Party shall be permitted to recover amounts that it has previously set-off pursuant to Section 14.7.

(e) Any payment to be made by a Party pursuant to a decision of the arbitrators shall be made payable in United States dollars, without any deductions made for tax obligations or any other deductions.

15.4.4Interim Relief; Confidentiality and other Limitations. Nothing in this Agreement shall limit the right of either Party to apply for any interim relief or provisional relief in aid of arbitration, including a temporary restraining order, preliminary injunction or other interim or conservatory relief without requiring posting a bond or other security. Such injunctive relief may be sought from any court of competent jurisdiction and/or the arbitrators (or, if the arbitrators have not been appointed, pursuant to the emergency relief provisions of the ICDR Rules). The arbitrators shall have the authority to grant any provisional or interim remedy that would be available from a court of law or equity in New York, New York. Except to the extent necessary to confirm or obtain judgment on an award or decision or as may be required by Applicable Law, neither Party may, and the Parties shall instruct the arbitrators not to, disclose the existence, content, or results of an arbitration without the prior written consent of both Parties. In no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the Dispute would be barred by the applicable New York statute of limitations, or, if no New York statute of limitation applies, the shortest of any other statutory or other time limitation that may apply to the claim.

15.5**Baseball Arbitration**. All Disputes arising under Section 7.3.1 or disputes arising in relation to the reimbursement costs, as set forth in Section 9.1.5, shall be determined by arbitration administered by the ICDR in accordance with its Rules and the Final Offer Supplementary Arbitration Rules, as modified herein. Baseball arbitration shall be conducted by one (1) arbitrator who shall be selected jointly by the Parties. If the Parties are unable to select an arbitrator within ten (10) days after commencement of the arbitration, then the arbitrator shall be

appointed by the ICDR in accordance with its Rules. Any arbitrator chosen hereunder shall have educational training and industry experience sufficient to demonstrate a reasonable level of scientific, financial, medical and industry knowledge relevant to the Dispute. Within ten (10) days after commencement of the arbitration, the responding party shall submit its written Answer to the Notice of Arbitration. Within twenty (20) days after appointment of the arbitrator, each Party shall submit to the arbitrator and the other Party a proposed resolution of the Dispute that is the subject of the arbitration, together with any relevant evidence in support thereof (collectively, the "**Proposals**"). Within fifteen (15) days after the delivery of the last Proposal to the arbitrator, each Party may submit a written rebuttal of the other Party's Proposal and may also amend and re-submit its original Proposal. The Parties and the arbitrator shall meet within fifteen (15) days after the Parties have submitted their final Proposals (and rebuttals, if any), at which time each Party shall have one (1) hour to argue in support of its Proposal. The Parties may not call any witnesses in support of their arguments, nor compel any production of documents or take any discovery from the other Party in preparation for the hearing. Within thirty (30) days after such hearing, the arbitrator shall issue an award that selects one of the final Proposals so submitted by one of the Parties as the resolution of the Dispute The award may not alter the terms of either final Proposal and may not resolve the Dispute in a manner other than by selection of one of the submitted final Proposals. If a Party fails to submit a Proposal within the initial twenty (20)-day time frame set forth above, the arbitrator will issue an award that selects the Proposal of the other Party as the resolution of the Dispute. The place of arbitration shall be New York City, New York; the language of the arbitration shall be English; the award issued by the arbitrator shall be final and binding; and a judgment recognizing or enforcing such award may be entered in any court of competent jurisdiction.

15.6**Intellectual Property Dispute Resolution**. Any dispute, controversy or claim relating to the scope, validity, enforceability or infringement by a Party of any Patent rights owned by a Party covering any Product (or any portion thereof) (except in respect of any matter arising under Section 14.4.2), or related to any trademark rights covering the Product (or any portion thereof) shall be submitted to a court of competent jurisdiction in which such Patent rights, trademark rights were granted or arose or, in the case of any alleged trade secret misappropriation, any court of competent jurisdiction.

15.7**Cumulative Remedies**. Except to the extent expressly stated in this Agreement, no remedy referred to in this Agreement is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to in this Agreement or otherwise available under equity or law.

15.8**Binding Effect**. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and permitted assigns.

15.9**Further Assurances**. Each Party shall, as and when requested by the other Party, execute all documents as may be reasonably necessary to give effect to the provisions of this Agreement and the obligations herein, including as applicable any such documents that may be necessary to give effect to or to perfect the assignment of any intellectual property right or other proprietary right purported to be assigned hereunder.

15.10**Headings**. Section and subsection headings are inserted for convenience of reference only and do not form a part of this Agreement.

15.11**Counterparts**. The Parties may execute this Agreement in one or more counterparts, each of which shall be deemed an original.

15.12**Amendment; Waiver**. This Agreement may be amended, modified, superseded or canceled, and any of the terms may be waived, only by a written instrument executed by each Party or, in the case of waiver, by the Party waiving compliance. The delay or failure of either Party at any time or times to require performance of any provisions hereof shall in no manner affect the rights at a later time to enforce the same. No waiver by either Party of any condition or of the breach of any term contained in this Agreement, whether by conduct, or otherwise, in any one or more instances, shall be deemed to be, or considered as, a further or continuing waiver of any such condition or of the breach of such term or any other term of this Agreement.

15.13**No Agency or Partnership**. Nothing contained in this Agreement shall give either Party the right to bind the other, or be deemed to constitute either Party as agent for or partner of the other or any Third Party. Aptevo will not have the right to direct or control the activities of Niowave in performing Development, and Niowave will not have the right to direct or control the activities of Aptevo in performing Development. Niowave and Aptevo shall act hereunder only as independent contractors, and nothing herein contained shall be construed to be inconsistent with that relationship or status.

15.14**Assignment and Successors**. This Agreement (nor any rights or obligations of either Party) may not be assigned or delegated by either Party without the consent of the other, which consent shall not be unreasonably withheld, conditioned, or delayed, except that each Party may, without such consent:

(a) assign this Agreement and the rights, obligations and interests of such Party to any of its Affiliates so long as such entity remains an Affiliate;

(b) to any purchaser of all or substantially all of its assets, or to any successor entity resulting from any merger or consolidation of such Party with or into such entity; or

(c) subcontract its obligations pursuant to Section 2.2;

provided, in each case, that the assignee agrees in writing to be bound by the terms of this Agreement and the assigning Party remains primarily liable for all of its obligations hereunder. Any assignment purported or attempted to be made in violation of the terms of this Section 15.14 shall be null and void and of no legal effect.

15.15**Force Majeure**. Neither Party will be responsible for delays resulting from causes beyond the reasonable control of such Party, including fire, explosion, flood, war, strike, or riot, provided that the nonperforming Party uses Commercially Reasonable Efforts to avoid or remove such causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever such causes are removed.

15.16**Severability**. In the event that any provision of this Agreement shall be found in any jurisdiction to be in violation of public policy or illegal or unenforceable in law or equity, such finding shall not invalidate any other provision of this Agreement in that jurisdiction. If any provision hereof should be held invalid, illegal or unenforceable in any respect in any jurisdictions then, to the fullest extent permitted by Applicable Law:

(a) all other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the Parties hereto as nearly as may be possible;

(b) such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of such provision in any other jurisdiction; and

(c) the Parties shall promptly negotiate in good faith a replacement provision to carry out the intention of the invalid, illegal or unenforceable provision to the fullest extent permitted by Applicable Law.

(d) To the extent permitted by Applicable Law, each Party hereby waives any provision of Applicable Law that would render any provision hereof prohibited or unenforceable in any aspect.

15.17**Affiliates**. Any act or omission taken or made by an Affiliate of a Party under this Agreement shall be deemed an act or omission by such Party under this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized representatives as of the Effective Date.

NIOWAVE, INC.

By:_

Name: Michael Zamiara

Title: Chief Executive Officer

Aptevo Research and Development LLC

By:_

Name: Jeffrey Lamothe

Title: President and Chief Executive Officer

Schedule 1.4

Niowave Patents

None.

Schedule 1.22

Development Plan

Schedule 1.13

Aptevo Patents

60

Schedule 2.3.1

POC Study Plan

Schedule 2.3.4

STAGE GATES

Stage Gate	Timing	Key Decision	Decision-Enabling Data	Outcome / Purpose	Stage Gate
Target–Isotope Feasibility	End of POC study	Does the target–isotope combination demonstrate sufficient biological activity?	In vitro binding, internalization, and MOA confirmation; Preliminary dosimetry modeling; Initial isotope labeling feasibility	Confirms scientific viability and eliminates non-viable target–isotope combinations	POC & Target–Isotope Feasibility
cGMP Manf Readiness	Pre-Phase 1 cGMP production	Is the selected isotope and drug product manufacturable at Phase 1 cGMP quality, yield, and timeline?	Reproducible non-GMP process data;Draft CMC strategy and batch plan	De-risks clinical supply and prevents Phase 1 delays due to manufacturing or quality issues	cGMP Manufacturing Readiness
Phase 1 Approved	Pre-IND / IND submission	Does the totality of data support first-in-human clinical evaluation?	Successful Phase 1 cGMP batch release; Completed IND-enabling toxicology; Final clinical protocol; IND submission readiness	Formal authorization to enter Phase 1 and transition from development risk to clinical execution	Phase 1 Go

Schedule 5.6.1
Press Release

Schedule 6.1.3
Supply Agreement

(See Attached)

Schedule 8.1
Aptevo Molecules
[***]
[TBD]
[TBD]

Niowave Radioisotopes
Actinium-225
[TBD]
[TBD]

Schedule 14.2.1
Opt-Out Windows

- Change in Control of a Party
- Any Stage Gate described in Schedule 2.3.4
- Completion of an Investigational New Drug ("IND") application enabling Good Laboratory Practice ("GLP") tox studies for the Product
- Completion of Process Development for the Product
- Completion of Phase I Clinical Trial for the Product
- Completion of Phase II Clinical Trial for the Product

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) of the type that the Registrant treats as private and confidential.

Exhibit 10.2

SUPPLY AGREEMENT

by and between

Aptevo Research and Development LLC

and

Niowave, Inc.

SUPPLY AGREEMENT

This Collaboration and Supply Agreement (this "**Agreement**") dated as of May [22], 2026 (the "**Signing Date**"), is made by and between **Aptevo Research and Development LLC** , a Delaware corporation having a place of business at 2401 4th Ave., Suite 1050, Seattle, WA 98121, USA ("**Company**"), and Niowave, Inc., a Michigan corporation having a place of business at 1012 N. Walnut Street, Lansing, MI 48906, USA ("**Niowave**" and, together with the Company, the "**Parties**" and each, a "**Party**"). Company desires to purchase from Niowave, and Niowave desires to supply Company, the Materials for Company's use in manufacturing radiopharmaceutical products in accordance with the terms and conditions set out herein.

NOW THEREFORE in consideration of the undertakings contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows.

Notwithstanding anything herein to the contrary, it is hereby acknowledged and agreed that the obligations of the Parties hereunder shall become effective upon the election of Company (which election shall be in Company's sole discretion) on or after the time at which Niowave becomes the Non-Continuing Party, as defined in and for purposes of that certain Collaboration Agreement, by and between the Parties, dated on or about the Signing Date, as amended and/or restated from time to time (the "**Collaboration Agreement**") (the time of such election by Company, the "**Effective Time**").

Article 1.
Definitions

1.1 In addition to any other defined terms in this Agreement, the following terms have the following meanings:

"**Affiliate**" means, with respect to a Party, any corporation or other business entity that controls, is controlled by, or is under common control with that Party.

"Change Order" means a mutually approved change in writing by both Parties in accordance with the procedures set forth in Section 2.3 that describes in reasonable detail an amendment or modification to the Supply Commitment in Exhibit B and the associated costs.

"**Confidential Information**" means all confidential technical information, know-how and data, and other proprietary information and data of a financial, business, commercial or technical nature which the disclosing Party or any of its Affiliates has supplied (directly or indirectly) or otherwise made available to the other Party or its Affiliates.

"Final Product" means an oncology radiopharmaceutical based on the Materials, as modified and improved by Company.

"Materials" means Actinium-225, or "Ac-225" as used herein or another radioisotope mutually agreed upon by the Parties.

"**mCi**" means millicurie which is the unit of radioactivity equal to one thousandth of a curie.

"Niowave Background IP" means all Know-How, Intellectual Property Rights and all regulatory filings and approvals reasonably necessary or desirable to research, develop, manufacture, and supply Materials owned or controlled by Niowave prior to the Effective Time and all such intellectual property developed by or for Niowave outside of the scope of this Agreement.

"Specifications" means the mutually agreed upon, in writing, acceptance criteria for the Materials attached as Exhibit A, as the same may be amended from time to time by written agreement of the Parties.

[***]

Article 2.
Supply/Purchase of Materials

2.1 Supply Commitment. Niowave will supply Materials to Company under the terms and conditions set forth in Exhibit B.

2.2 Minimum Amount. There will **[***]** ("**Minimum Amount**") of Materials that the Company will be required to purchase during the Term.

1.1 Change Order. The Supply Commitment of Section 2.1 and as outlined in Exhibit B, may be amended by the Parties from time to time in accordance with, and shall be effective only upon execution of a written Change Order signed by and agreed to both Parties.

1.2 Capacity Reservation Option. Company may exercise a Capacity Reservation Option as set forth in Exhibit C.

Article 2.
Order Processing

2.1 Rolling **[***]**-month Supply Forecasts and Actual Production. Company shall provide Niowave with a rolling **[***]**-month demand requirement of Materials for Company's use and/or that of the Company's collaborators and not for resale as a commercial supplier. The first **[***]** months of each rolling forecast for Materials will be considered binding and converted to purchase orders that will be filled by Niowave pursuant to the terms of this Agreement ("**Binding Forecast**").

2.2 Shipping Costs, Risk of Damage and Delivery Terms. Niowave will arrange for shipment of Materials from Niowave's facility on **[***]** basis to Company's designated facility. Company will reasonably cooperate with Niowave in arranging shipment. Niowave will include all shipping expenses with each invoice. If applicable, Niowave will invoice Company for all tariffs, and all duties, sales, or value-added taxes (VAT), and similar governmental impositions associated with the import or export of the Materials and the sale of Materials to Company. Company acknowledges risk of loss transfers to Company upon handover to the carrier at Niowave's facility.

1.1 Acceptance. Upon delivery of shipment of Materials, Company shall immediately inspect the Certificate of Analysis and perform certain tests on the Materials to confirm that the Materials meet the Specifications. In case of any non-compliance of Materials, Company shall notify Niowave in writing (email is sufficient) within **[***]** hours of the delivery of the relevant shipment ("**Non-conformance Notice**") detailing with specificity of the non-compliance of such shipment. **[***]** If Company does not provide Niowave with a timely Non-conformance Notice, the shipment will be deemed accepted by Company and Company will be deemed to have waived all claims related to non-conformance of Materials as to the accepted shipment ("**Acceptance**").

Article 2.
Regulatory Activities; Compliance

2.1 Manufacturing Practices.

2.1.1 Niowave will manufacture Materials in compliance with all applicable laws, regulations and other regulatory requirements. Niowave will maintain an FDA-compliant quality system such that Niowave meets all applicable regulatory requirements. **[***]**

2.1.2 Niowave will maintain all records pertaining to the Materials supplied to Company on forms required by the applicable regulatory authorities. Niowave will provide the necessary data and information reasonably requested by Company to comply with applicable laws, regulations, or requirements or directives from relevant regulatory agencies.

2.1.3 Niowave shall notify Company regarding any changes Niowave makes to its Drug Master File (DMF) or other regulatory filings.

1.1 Testing and Labeling. Prior to shipment of Materials, Niowave will ensure that the shipment meets the Specifications and is properly labeled. With each shipment of Materials, Niowave shall provide a Certificate of Analysis signed by the relevant authorized representative of Niowave stating that the shipment meets the Specifications.

1.2 Responsibility for the Final Product. Upon acceptance of any shipment of Materials in accordance with Section 3.4, Company shall be solely responsible, at its sole cost and for the packaging, handling, storage, quality control, quality assurance, and all testing and release aspects of the Final Product. Company shall comply with all applicable laws for the Final Product, including any reporting requirements for adverse events, including compliance with the display, documentation, and reporting obligations to the authorities. For the avoidance of doubt, Niowave takes no responsibility or liability as to the packaging, handling, storage, quality control, quality assurance, and all testing and release aspects of the Final Product, including compliance with any import or export laws.

1.1 Audits.

1.1.1 Company and its representatives, including any authorized representatives and notified bodies have the right to perform routine audits of Niowave relating to the manufacture Materials supplied to Company, but not more often than once per calendar year. The purpose of the Company audit is to determine Niowave's compliance with applicable laws, regulations, policies, procedures and guidelines and the terms of this Agreement, limited to Niowave's manufacture of Materials for Company. Audits will be scheduled in advance at times mutually agreeable to both Company and Niowave.

1.1.2 In the case of unannounced inspections by notified bodies or governmental or regulatory authorities, Niowave will provide access and support upon the arrival of the authority for inspection. Niowave will notify the Company quality point-of-contact when any notified body or regulatory authority arrives with respect to an audit and will notify Company of any findings resulting from any such audit within five (5) days thereafter.

Article 2.
Confidentiality

2.1 Company shall treat as strictly confidential for the term of this Agreement and for a period of five (5) years after its expiry all Confidential Information exchanged during the term of this Agreement. Company shall not disclose any Confidential Information to any third party unless required by law or court order to disclose such Information. The obligations in this Section will not include any information which:

(i) is or becomes known to the public through no breach of this Agreement by Company;

(ii) (ii) is disclosed to Company by a third party who is authorized to disclose it;

(iii) (iii) as shown by written records, was known to, or was otherwise in the possession of, Company prior to the time of disclosure; or (iv) as shown by written records, is developed by Company independently of the Materials and any Information disclosed under this Agreement.

1.1 Duty of Confidence. Subject to the other provisions of this Article, all Confidential Information disclosed by a Party or its Affiliates under this Agreement will be maintained in confidence and otherwise safeguarded by the recipient Party. The recipient Party may only use the Confidential Information for the purposes of this Agreement and pursuant to the rights granted to the recipient Party under this Agreement. Subject to the other provisions of this Article, each Party shall hold as confidential such Confidential Information of the other Party or its Affiliates in the same manner and with the same protection as such recipient Party maintains its own confidential information. A recipient Party may only disclose Confidential Information of the other Party to employees, agents, contractors, consultants and advisers of the Party and its Affiliates to the extent reasonably necessary for the purposes of, and for those matters undertaken pursuant to, this Agreement, provided that such Persons are bound to maintain the confidentiality of the Information in a manner consistent with the confidentiality provisions of this Agreement.

1.2 Survival of Provisions. The obligations of Confidentiality and non-use survive the termination or expiration of this Agreement, irrespective of the manner in which this Agreement is terminated.

Article 2.
Term, Termination

2.1 Term. This Agreement shall be effective as of the Signing Date (provided, that the obligations of the parties hereunder shall be effective only as of the Effective Time) until the end of the Term as outlined in Exhibit B. This Agreement may be terminated at any time by the Company upon thirty (30) days' written notice **[***]**. Niowave reserves the right to terminate this Agreement because of: (a) the insolvency or financial condition of Company; or (b) the commencement of a case or the appointment of or a taking of possession by trustee or custodian under any bankruptcy or insolvency laws.

2.2 Termination for Material breach. If either Party is in material breach of its obligations under this Agreement, upon receipt of written notice of termination from the non-defaulting Party, defaulting party has thirty (30) days, or such longer period as is necessary, to remedy the breach so long as the defaulting party commences a cure within such 30-day period and diligently pursues the cure to completion. If the defaulting Party has not completely cured such breach in all material aspects within the applicable period, then the non-defaulting Party may terminate this Agreement by written notification in its entirety; *provided*, that such termination will only relieve the Parties of obligations that would have arisen under this Agreement after the effective date of termination, and will in no way relieve the Parties from any obligations existing on or before the date of such termination, including but not limited to the obligation to pay outstanding invoices and fill

outstanding orders. In the event of termination under this Section, the non-defaulting Party will also have all other remedies available at law or in equity.

1.1 Effect of Termination. In the event of any termination or expiration of this Agreement, such termination or expiration will only relieve the Parties of obligations that would have arisen under this Agreement after the effective date of termination or expiration, and will in no way relieve the Parties from any then-existing or prior obligations, including the obligation to pay outstanding invoices and fill outstanding orders. In addition, all terms that by implication, context, or direct language, survive expiration or termination, including without limitation Articles 5, 6, 8 and 9, and Sections 7.3 – 7.7, shall survive any termination or expiration of this Agreement.

Article 2.

Representations, Warranties, Indemnification, Insurance, Certain Covenants

2.1 Company Warranty. Company represents, warrants and covenants (as applicable) to Niowave that:

2.1.1 Company has not entered into any contract and is not subject to any obligation that will, and shall not enter into any agreement or become subject to any obligation that would, prevent or adversely affect its ability to fulfill its obligations under this Agreement;

2.1.2 Company is a limited liability company duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is incorporated, and has the full right and authority to own and operate its property and assets and to carry on its business as it is now being conducted and to enter into this Agreement and to grant the rights granted under this Agreement;

2.1.3 Company shall at its sole cost and expense, comply with all laws and regulations and obtain all governmental approvals, regulatory approvals applicable to the exercise its rights and the engagement of its activities under this Agreement.

1.1 Niowave Warranty. Niowave represents, warrants and covenants (as applicable) to Company that:

1.1.1 Niowave has not entered into any contract and is not subject to any obligation that will, and shall not enter into any agreement or become subject to any obligation that would, prevent or adversely affect its ability to fulfill its obligations under this Agreement;

1.1.2 Niowave is a company or corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is incorporated, and has full right and authority to own and operate its property and assets and to carry on its business as it is now being conducted and to enter into this Agreement and to grant the rights granted under this Agreement;

1.1.3 Niowave is the owner of the Niowave Background IP.

1.1 Niowave Indemnity. Niowave will defend, indemnify, and hold harmless Company and its Affiliates and their respective directors, officers, employees, agents, attorneys, successors and assigns (collectively, "**Company Indemnitees**") from and against any and all losses, liabilities, damages, fines, penalties, costs and expenses, including all reasonable attorneys' and experts' fees and expenses (collectively, "**Losses**") they may suffer as the result of third party claims, suits, proceedings or actions against any Company Indemnitee (collectively, "**Claims**") to the extent arising out of or resulting from: (a) the breach of any of the covenants, warranties or representations made by Niowave to Company under this Agreement; (b) negligence of Niowave or any of its Affiliates **[***]**.

1.2 Company Indemnity. Company will defend, indemnify, and hold harmless Niowave and its Affiliates and their respective directors, officers, employees, agents, attorneys, successors and assigns (collectively, "**Niowave Indemnitees**") from and against any and all Losses they may suffer as a result of Claims to the extent arising out of or resulting from: (a) any **[***]** infringes, misappropriates or otherwise violates any intellectual property rights of a third party; (b) the breach of any of the covenants, warranties or representations made by Company to Niowave under this Agreement; (c) any injuries to persons and/ or any damage to property caused by the **[***]** Final Product **[***]**; and (d) the negligence of Company or any of its Affiliates **[***]**.

1.1 DISCLAIMER. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR

IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT.

1.2 LIMITATION OF LIABILITY. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT OR OTHERWISE, NEITHER PARTY SHALL BE LIABLE TO THE OTHER WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT (WHETHER UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY) FOR ANY INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS.

[***]

[***]

Article 2.
Public Statements

2.1 Use of Names. Neither Party shall use the name, symbol, trademark, trade name or logo of the other Party or its Affiliates in any press release, publication, or other form of public disclosure without the prior written consent of the other Party in each instance (such consent not to be unreasonably withheld or delayed).

2.2 Press Releases. Each Party agrees not to issue any press release or other public statement, whether oral or written, disclosing the existence of this Agreement, the terms hereof, or any information relating to this Agreement without the prior written consent of the other Party.

1.1 Required Disclosures. Notwithstanding the foregoing, each Party may make any disclosures required of it to comply with any duty of disclosure it may have pursuant to law or governmental regulation or pursuant to the rules of any recognized stock exchange. In the event a Party is required by law, governmental regulation or the rules of any recognized stock exchange to disclose any terms of this Agreement, such Party shall provide the other Party with reasonable advance notice of any such disclosure and a reasonable opportunity to comment on such disclosure of the terms of this Agreement (The Party subject to such obligation shall use commercially reasonable efforts to obtain an order protecting to the maximum extent possible the confidentiality of such provisions of this Agreement as reasonably requested by the other Party. If the Parties are unable to agree on the form or content of any required disclosure, such disclosure shall be limited to the minimum required as determined by the disclosing Party in consultation with its legal counsel. Without limiting the foregoing, each Party shall consult with the other Party on the provisions of this Agreement, together with exhibits or other attachments attached hereto, to be redacted in any filings made by either Party with any governmental authority, stock exchange, or other regulatory body, or as otherwise required by law.

Article 2.
Miscellaneous

2.1 Assignment. Neither Party may assign its rights and obligations under this Agreement without the other Party's prior written consent, except that either Party may assign this Agreement in its entirety to a successor to all or substantially all its business or assets to which this Agreement relates, whether by merger, acquisition, sale of assets, sale of stock, or otherwise. Any permitted assignee will assume all obligations of its assignor under this Agreement (or related to the assigned portion in case of a partial assignment). Any attempted assignment in contravention of the foregoing will be void. Subject to the terms of this Agreement, this Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Assigning party shall provide non-assigning party notice of such permitted assignment within 30 days of the effectiveness of the assignment. For the avoidance of doubt, this Agreement, and each Party's rights and obligations hereunder, shall survive a change of control affecting either Party.

2.2 Extension to Affiliates. Each Party shall have the right to extend the rights, immunities, and obligations granted in this Agreement to one or more of its Affiliates. All applicable terms and provisions of this Agreement shall apply to any such Affiliate to which this Agreement has been extended to the same extent as such terms and provisions apply to the applicable Party. Each Party shall remain primarily liable for any acts or omissions of its Affiliates.

1.1 Severability. Should one or more of the provisions of this Agreement become void or unenforceable as a matter of law, then this Agreement shall be construed as if such provision were not contained herein and the remainder of this Agreement shall be in full force and effect, and the Parties will use their commercially reasonable 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.

1.2 Governing Law, Dispute Resolution, Jurisdiction, and Attorney's Fees.

1.2.1 This Agreement shall be governed by and construed under the laws of the State of Michigan, without giving effect to the conflicts of laws provision thereof.

1.2.2 In the event of any unresolved disputes between the Parties relating to, arising out of or in any way connected with this Agreement, the Parties irrevocably agree that the federal and state courts located in Michigan shall have exclusive jurisdiction to hear and decide any suit, action or proceedings, and/or to settle any disputes, which may arise out of or in any way relate to this Agreement or its formation and, for these purposes, each Party on behalf of itself and its Affiliates irrevocably submits to the personal jurisdiction of the federal and state courts of the State of Michigan.

1.2.3 In any action to enforce the terms of this Agreement or other action between the parties, the prevailing party shall be awarded actual attorneys' fees, costs, and expenses, including without limitation, expert fees.

1.1 Force Majeure. If either Party is prevented from performing its obligations under this Agreement as a result of any contingency beyond its reasonable control ("**Force Majeure**"), including any actions of governmental authorities or agencies, war, hostilities between nations, civil commotions, riots, national industry strikes, lockouts, sabotage, energy shortages, epidemics, pandemics, fire, floods and acts of nature such as typhoons, hurricanes, earthquakes, or tsunamis, the Party so affected shall not be responsible to the other Party for any delay or failure of performance of its obligations hereunder, for so long as Force Majeure prevents such performance. In the event of a Force Majeure, the Party immediately affected thereby shall give prompt written notice to the other Party specifying the Force Majeure event complained of and shall use commercially reasonable efforts to resume performance of its obligations. Notwithstanding the foregoing, if such a Force Majeure induced delay or failure of performance continues for a period of more than forty-five (45) days, the other Party may terminate this Agreement upon written notice to the non-performing Party. Notwithstanding anything to the contrary provided herein, a Force Majeure shall not relieve a party of its obligations to pay the other party amounts due under this Agreement.

1.2 Waivers and Amendments. The failure of any Party to assert a right hereunder or to insist upon compliance with any term of this Agreement shall not constitute a waiver of that right as to a similar subsequent failure to perform any such term 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 Agreement may be amended or modified other than by a written document signed by authorized representatives of each Party.

1.1 Relationship of the Parties. Nothing contained in this Agreement shall be deemed to constitute a partnership, joint venture, or legal entity of any type between Niowave and Company, or to constitute one as the agent of the other. Moreover, each Party agrees not to construe this Agreement, or any of the transactions contemplated hereby, as a partnership for any tax purposes. Each Party shall act solely as an independent contractor, and nothing in this Agreement shall be construed to give any Party the power or authority to act for, bind, or commit the other.

1.2 Notices. All notices provided for in this Agreement will be in writing and will be considered delivered if: (a) personally delivered to the person to be notified; (b) sent by email or facsimile, with confirmation of transmission received; (c) mailed by certified first class or registered air mail, postage prepaid, return receipt requested (if local delivery); or (d) delivered to reputable overnight courier addressed to the respective Parties as set forth below. Such notices will be effective immediately if delivered in person or by confirmed email or facsimile and will be effective upon the date acknowledged to have been received or refused in return receipt if mailed or upon the date of receipt or refused if sent by overnight courier.

If to Company: Aptevo Research and Development LLC
2401 4th Ave., Suite 1050
Seattle WA 98121

Attention: SoYoung Kwon
[***]

If to Niowave: Niowave, Inc.
1012 N. Walnut Street
Lansing, MI 48906

Attention: Matt Burba

[***]

Either Party may change its address by giving notice to the other Party in the manner provided.

1.3 Compliance with Law. Each Party shall perform its obligations under this Agreement in accordance with all applicable laws. Neither Party shall, or shall be required to, undertake any activity under or in connection with this Agreement which violates, or which it believes, in good faith, may violate, any applicable law. In connection with this Agreement, each Party, its Affiliates, employees, agents, and any other representatives shall neither offer, agree to give or give any person, nor demand, agree to accept or accept from any person – whether for themselves or another person and either directly or indirectly – any gift or payment, consideration or benefit of any kind, which constitutes an illegal or corrupt practice under the applicable laws.

1.1 No Third-Party Beneficiary Rights. The provisions of this Agreement are for the sole benefit of the Parties and their successors and permitted assigns, and they shall not be construed as conferring any rights to any third party (including any third-party beneficiary rights).

1.2 Expenses. Each Party shall pay the fees and expenses of its respective lawyers and other experts and all other expenses and costs incurred by such Party incidental to the negotiation, preparation, execution, and delivery of this Agreement.

1.1 Entire Agreement. This Agreement, together with its Exhibit, 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 prior communications between the Parties with respect to such subject matter (including the Existing Confidentiality Agreement between the Parties); *provided that* all "Confidential Information" disclosed or received by the Parties under the Existing Confidentiality Agreement shall be deemed "Confidential Information" hereunder and shall be subject to the terms and conditions of this Agreement. In the event of any conflict between a substantive provision of this Agreement and any Exhibit hereto, the substantive provisions of this Agreement shall prevail.

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

[*Signature page follows*]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized representatives as of the Signing Date.

NIOWAVE, INC.

By:_
Mike Zamiara, Chief Executive Officer

Aptevo Research and Development LLC

By:_
Jeffrey Lamothe, President and Chief Executive Officer

Exhibit A

Specification

[***]

Exhibit B

Supply Commitment

Agreement Term: **[***]**

Quantity. Niowave will deliver **[***]** according to Specification in Exhibit A.

Materials Price: Niowave shall supply the Materials at a price equivalent to **[***]**.

Invoicing: Niowave will invoice Company for individual orders upon shipment, and Company will pay the applicable invoices within **[***]** days of receipt.

Change Orders: Changes to this Supply Commitment are to be made in accordance with Section 2.3 of the Supply Agreement.

Regulatory Support: DMF and ASMF reference rights granted (if filed)

Shipment/Activity Changes: All shipment details, including the activity and the destination, must be confirmed no later than **[***]** prior to dispensing. Any changes requested fewer than **[***]** prior to dispensing shall be subject to a non-refundable flat change fee of **[***]** to accommodate such changes.

Exhibit C

Capacity Reservation Option

Capacity Expansion Options: Within the Term of this agreement, Company shall have the option to reserve additional production capacity for Ac-225 on Niowave's **[***]** by selecting one of the following reservation percentages: **[***]**. The reservation shall secure the corresponding share of the next available **[***]** production slot. Company shall pay **[***]** and agree to **[***]** associated with the selected reservation percentage, as outlined in the table below. Reservation fees are non-refundable and guarantee priority access for the reserved capacity. Niowave will confirm the estimated production date upon execution of the reservation option.

Reservation Options and Pricing

[***]

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) of the type that the Registrant treats as private and confidential.

Execution Version

Exhibit 10.3

APTEVO THERAPEUTICS INC.

COMMON STOCK PURCHASE AGREEMENT

This Common Stock Purchase Agreement (this "Agreement") is dated as of May 25, 2026, by and between Aptevo Therapeutics Inc., a Delaware corporation (the "Company"), and Niowave, Inc., a Michigan corporation ("Niowave").

WHEREAS, subject to the terms and conditions set forth in this Agreement, the Company desires to issue and sell to Niowave, and Niowave desires to purchase from the Company, shares of common stock of the Company as more fully described in this Agreement; and

WHEREAS, concurrently herewith, the Company's wholly owned subsidiary, Aptevo Research and Development LLC, a Delaware limited liability company ("Aptevo Research and Development"), and Niowave have entered into a Collaboration Agreement (the "Collaboration Agreement"), and the Company and Niowave have entered into an Investor Rights Agreement (the "Investor Rights Agreement").

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and Niowave agree as follows:

ARTICLE 1

DEFINITIONS

1.1Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

1.1.1 "Action" means action, charge, suit, proceeding, suit, litigation, arbitration, settlement or complaint.

1.1.2 "Additional Closing" has the meaning set forth in Section 2.3.2 hereof.

1.1.3 "Additional Closing Date" has the meaning set forth in Section 2.3.2 hereof.

1.1.4 "Additional Shares" means the shares of Common Stock and/or Pre-Funded Warrants, as applicable, subject to an Additional Shares Purchase Exercise Notice.

1.1.5 "Additional Share Purchase Details" has the meaning set forth in Section 2.3.2.

1.1.6 "Additional Shares Purchase Exercise Confirmation" has the meaning set forth in Section 2.3.2 hereof.

1.1.7 "Additional Shares Purchase Exercise Notice" has the meaning set forth in Section 2.3.2 hereof.

1.1.8 "Additional Shares Purchase Price" means, with respect to an Additional Closing, a price per share equal to the Nasdaq Official Closing Price of the Common Stock (as reflected on Nasdaq.com) on the Trading Day immediately preceding the date on which Niowave delivers the Additional Shares Purchase Exercise Notice; provided that if the purchase price per share of Common Stock determined pursuant to the foregoing clause (a) is less than the lower of (i) the Nasdaq Official Closing Price of the Common Stock (as reflected on Nasdaq.com) immediately preceding the time the Company receives the Additional Shares Purchase Exercise Notice or (ii) the average Nasdaq Official Closing Price of the Common Stock (as reflected on Nasdaq.com) for the five (5) Trading Days immediately preceding the time the Company receives the Additional Shares Purchase Exercise Notice, the Additional Shares Purchase Price shall instead be the lower of the amounts set forth in clauses (i) and (ii).

1.1.9 "Company Capitalization" means, as of any date of measurement, the total number of outstanding shares of voting capital stock of the Company.

1.1.10 "Affiliate" means any Person that, directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with a Person.

1.1.11 "Aggregate Additional Purchase Price" means the dollar amount obtained by multiplying the number of Additional Shares to be purchased at an Additional Closing by the applicable Additional Shares Purchase Price.

1.1.12 "Aggregate Equity Investment" means the sum of the Initial Shares, the shares of Common Stock underlying the Warrants, the Additional Shares to be purchased at such Additional Closing and any Additional Shares issued in any prior Additional Closing

1.1.13 "Aggregate Initial Purchase Price" means the dollar amount obtained by multiplying the number of shares of Common Stock constituting the Initial Securities by the Initial Securities Purchase Price.

1.1.14 "Bankruptcy Law" means Title 11, U.S. Code, or any similar federal or state law for the relief of debtors.

1.1.15 "Beneficial Ownership" or "Beneficial Owner" or "Beneficially Own" or "Beneficially Owned" shall have the meaning set forth in Rule 13d-3 under the Exchange Act.

1.1.16 "Business Day" means any day on which Nasdaq and commercial banks in the City of New York are open for business.

1.1.17 "Closing" means, as applicable, the Initial Closing or the Additional Closing.

1.1.18"Closing Date" means, as applicable, the Initial Closing Date or each Additional Closing Date.

1.1.19"Collaboration Agreement" has the meaning set forth in the recitals.

1.1.20"Commission" means the United States Securities and Exchange Commission.

1.1.21"Common Stock" means the Company's common stock, par value $0.001 per share.

1.1.22"Control," including the terms "Controlling," "Controlled by" and "under common Control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

1.1.23"Cross-Receipt" means a cross-receipt substantially in the form of Exhibit A hereto.

1.1.24"Custodian" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

1.1.25"Disclosure Schedule" means the confidential Disclosure Schedule referred to in Section 3.1 hereof, if any, delivered by the Company concurrently with the execution and delivery of this Agreement and, with respect to any Additional Closing, as such Disclosure Schedule may be updated and delivered by the Company prior to the applicable Additional Closing Date.

1.1.26"Disqualification Event" has the meaning set forth in Section 506(d) of the Securities Act.

1.1.27"Equity Financing" means a registered public offering, private placement, registered direct offering or similar transaction, or series of transactions, in which the Company sells shares of its Common Stock and/or pre-funded warrants to purchase Common Stock to investors.

1.1.28"Event of Default" has the meaning set forth in Section 4.6 hereof.

1.1.29"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.1.30"Exercise Period" means the period beginning on the date of this Agreement and continuing through earlier of (i) the third anniversary of the signing of the Collaboration Agreement or (ii) the date of approval of an Investigational New Drug Application by the U.S. Food and Drug Administration or other applicable regulatory authority of a Combination Product (as defined in the Collaboration Agreement).

1.1.31"Governmental Authority" means any multi-national, federal, state, local, municipal or other government authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, court or other tribunal, as well as any securities exchange or securities exchange authority, including Nasdaq).

1.1.32"Initial Closing" means the closing of the sale of the Initial Securities pursuant to Section 2.3.1 hereof.

1.1.33"Initial Closing Date" has the meaning set forth in Section 2.3.1 hereof.

1.1.34"Initial Shares" means 98,522 shares of Common Stock.

1.1.35"Initial Securities" means collectively the Initial Shares and the Warrants.

1.1.36"Initial Securities Purchase Price" means a purchase price per share of Common Stock equal to the Nasdaq Official Closing Price of the Common Stock (as reflected on Nasdaq.com) on the Trading Day Niowave and the Company execute the Collaboration Agreement plus $0.125; provided that if the purchase price per share of Common Stock determined pursuant to the foregoing clause (a) is less than the lower of (i) the most recent Nasdaq Official Closing Price of the Common Stock (as reflected on Nasdaq.com) on the Trading Day immediately preceding the execution of this Agreement or (ii) the average Nasdaq Official Closing Price of the Common Stock (as reflected on Nasdaq.com) for the five (5) Trading Days immediately preceding the execution of this agreement, the Initial Securities Purchase Price shall instead be the lower of the amounts set forth in clauses (i) and (ii) plus $0.125.

1.1.37"Investor Rights Agreement" has the meaning set forth in the recitals.

1.1.38"Law" or "law" means any supranational, national, federal, state, regional, provincial, local or municipal constitution, treaty, law, statute, ordinance, code, determination, principle of common law or any other requirement having the effect of law of any Governmental Authority (including any rule, regulation, plan, injunction, judgment, order, award, decree, ruling, requirement, guidance, policy or charge thereunder or related thereto), in each case as amended, whether in the United States or a foreign jurisdiction.

1.1.39"Liens" means a lien, charge, pledge, security interest, encumbrance, right of first refusal, mortgage, claim, easement, right-of-way, option, title retention agreement, preemptive right or other restriction.

1.1.40"Material Adverse Effect" means a material adverse effect on the condition (financial or otherwise), results of operations, business, management, properties or prospects of the Company and its subsidiaries taken as a whole or on the performance by the Company of its obligations under this Agreement.

1.1.41"Maximum Equity Investment" means 249,096 shares of Common Stock.

1.1.42"Nasdaq" means the Nasdaq Stock Market LLC.

1.1.43"Person" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

1.1.44"Principal Market" means the Nasdaq Capital Market; *provided*, *however*, that in the event the Company's Common Stock is ever listed or traded on the New York Stock Exchange, the NYSE MKT, the Nasdaq Global Market or the Nasdaq Global Select Market, then the "Principal Market" shall mean such other market or exchange on which the Company's Common Stock is then listed or traded.

1.1.45"Required Approvals" has the meaning set forth in Section 3.1.4 hereof.

1.1.46"Rule 144" means Rule 144 promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

1.1.47"SEC Report" means any report filed or furnished by the Company with the Commission under the Exchange Act or the Securities Act.

1.1.48"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.1.49"Shares" means the Initial Securities and the Additional Shares collectively.

1.1.50"Trading Day" means a day on which Nasdaq is open for trading.

1.1.51"Transfer Agent" means Broadridge Financial Solutions, Inc., with a mailing address of 51 Mercedes Way, Edgewood, New York 11717, or any successor transfer agent of the Common Stock.

1.1.52"Valid Account Details" means, with respect to any bank account, the valid (a) name of bank, (b) bank address, (c) account number and (d) ABA routing number.

1.1.53"Warrants" means 53,201 warrants to purchase Common Stock at a price per share equal to $8.00, in the form attached as Exhibit B hereto.

ARTICLE 2

PURCHASE AND SALE OF SHARES

2.1Purchase of Shares. Subject to the terms and conditions of this Agreement, at the Initial Closing, the Company will issue and sell to Niowave, and Niowave will purchase from the Company, the Initial Securities, at a price per share equal to the Initial Securities Purchase Price, for an aggregate purchase price equal to the Aggregate Initial Purchase Price. Subject to the terms and conditions of this Agreement, at each Additional Closing, if any, the Company will issue and

sell to Niowave, and Niowave will purchase from the Company, the number of Additional Shares specified in the applicable Additional Shares Purchase Exercise Notice, at a price per share equal to the applicable Additional Shares Purchase Price, for an aggregate purchase price equal to the applicable Aggregate Additional Purchase Price.

2.2Payment.

2.2.1 At the Initial Closing, Niowave will pay the Aggregate Initial Purchase Price to the Company by wire transfer of immediately available funds in accordance with the Valid Account Details, together with a Form W-9.

2.2.2 At each Additional Closing, if any, Niowave will pay the applicable Aggregate Additional Purchase Price, in each case by wire transfer of immediately available funds in accordance with the Valid Account Details, together with a Form W-9.

2.2.3 The Company shall cause delivery of the applicable Shares at each Closing to be made in book-entry form to an account of Niowave specified in writing by Niowave at the Transfer Agent.

2.3Closings.

2.3.1 The Initial Closing shall occur at 12:00 pm (New York City time) on such date as the parties may select, not later than the second (2nd) Business Day after satisfaction or (to the extent permitted by law) waiver of the conditions set forth in Section 2.6 (other than those conditions that by their terms are to be satisfied at the Initial Closing, but subject to the satisfaction or (to the extent permitted by law) waiver of those conditions), unless such other place, time and date shall be agreed in writing between the Company and Niowave (such date, the "Initial Closing Date").

2.3.2 Subject to the conditions set forth in Section 2.7, Niowave may, during the Exercise Period, purchase from the Company a number of Additional Shares specified by Niowave in writing to the Company (an "Additional Shares Purchase Exercise Notice") at the applicable Additional Shares Purchase Price; *provided* that the number of Additional Shares indicated by Niowave in such Additional Shares Purchase Exercise Notice shall not cause the Aggregate Equity Investment following issuance and sale of such Additional Shares to exceed the Maximum Equity Investment; and *provided further*, that the issuance and sale of such Additional Shares to Niowave shall not cause Niowave to Beneficially Own a number of shares of Common Stock which is greater than 19.99% of the Company Capitalization as of the applicable Additional Closing Date. The Additional Shares Purchase Exercise Notice shall also include Niowave's calculation of the (i) Aggregate Equity Investment, and (ii) percentage of the Company Capitalization Beneficially Owned by Niowave after giving effect to the Additional Closing (such information, the "Additional Share Purchase Details"). The Company shall (a) confirm its agreement with the information set forth in the Additional Shares Purchase Exercise Notice, (b) notify Niowave of any Material Adverse Effect and (c) select an anticipated closing date for the purchase of the Additional Shares subject to the Additional Shares Purchase Exercise Notice, which date shall be no later than the date that is five (5) Business Days after the

date the Company receives such Additional Shares Purchase Exercise Notice, in a written notice delivered to Niowave within two (2) Business Days of receiving such Additional Shares Purchase Exercise Notice specifying such anticipated closing date (each an "Additional Shares Purchase Exercise Confirmation"). Each Closing of the sale of Additional Shares (each such closing, an "Additional Closing") shall occur at 11:00 am (New York City time) on the date specified in such Additional Shares Purchase Exercise Confirmation; *provided*, that if any of the conditions set forth in Section 2.7 have not been satisfied or (to the extent permitted by law) waived by such date and time (other than those conditions that by their terms are to be satisfied at an Additional Closing), the Additional Closing shall occur on the second (2nd) Business Day after satisfaction or (to the extent permitted by law) waiver of the conditions set forth in Section 2.7 (other than those conditions that by their terms are to be satisfied at an Additional Closing, but subject to the satisfaction or (to the extent permitted by law) waiver of those conditions), unless such other place, time and date shall be agreed in writing between the Company and Niowave (each such date, an "Additional Closing Date").

2.4Initial Closing Deliverables.

2.4.1 At the Initial Closing, the Company will deliver to Niowave:

(a) a duly executed Cross-Receipt with respect to the Initial Securities;

(b) a duly executed Investor Rights Agreement;

(c) a certificate in form and substance reasonably satisfactory to Niowave and duly executed on behalf of the Company by an authorized officer of the Company, certifying that the conditions to the Initial Closing set forth in Sections 2.6.1(a) and (b) of this Agreement have been fulfilled;

(d) evidence that the Company has delivered to the Transfer Agent irrevocable written instructions to issue the Initial Securities to Niowave in a form and substance acceptable to the Transfer Agent; and

(e) an executed Warrant.

2.4.2 At the Initial Closing, Niowave will deliver to the Company:

(a) a duly executed Cross-Receipt with respect to the Initial Securities;

(b) a duly executed Investor Rights Agreement; and

(c) a certificate in form and substance reasonably satisfactory to the Company and duly executed on behalf of Niowave by an authorized officer of Niowave, certifying that the conditions to the Closing set forth in Sections 2.6.2(a) and (b) of this Agreement have been fulfilled.

2.5Additional Closing Deliverables.

2.5.1 At each Additional Closing, if any, the Company will deliver to Niowave:

(a) a duly executed Cross-Receipt with respect to the applicable Additional Shares;

(b) a certificate in form and substance reasonably satisfactory to Niowave and duly executed on behalf of the Company by an authorized officer of the Company, certifying that the conditions to such Additional Closing set forth in Sections 2.7.1(a) and (b) of this Agreement have been fulfilled; and

(c) evidence that the Company has delivered to the Transfer Agent irrevocable written instructions to issue the applicable Additional Shares to Niowave in a form and substance acceptable to the Transfer Agent.

2.5.2 At each Additional Closing, if any, Niowave will deliver to the Company:

(a) a duly executed Cross-Receipt with respect to the applicable Additional Shares; and

(b) a certificate in form and substance reasonably satisfactory to the Company and duly executed on behalf of Niowave by an authorized officer of Niowave, certifying that the conditions to such Additional Closing set forth in Sections 2.7.2(a) and (b) of this Agreement have been fulfilled.

2.6 Conditions to the Initial Closing.

2.6.1 The obligations of Niowave hereunder in connection with the Initial Closing are subject to the following conditions being satisfied or waived:

(a) The representations and warranties of the Company set forth in Section 3.1 hereof that are not qualified by materiality shall be true and correct in all material respects as of the Initial Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date) and the representations and warranties of the Company set forth in Section 3.1 that are qualified by materiality shall be true and correct in all respects as of the Initial Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date).

(b) The Company shall have complied in all material respects with its covenants hereunder as of the Initial Closing Date.

(c) Aptevo Research and Development shall have duly executed and delivered the Collaboration Agreement, and such agreement shall be in full force and effect.

(d) The Company shall have duly executed and delivered the Investor Rights Agreement, and such agreement shall be in full force and effect.

(e) The Company shall have obtained any and all consents, permits, approvals, registrations and waivers necessary for the consummation of the purchase and sale of the Initial Securities, all of which shall be in full force and effect.

(f) All closing deliverables as required under Section 2.4.1 shall have been delivered by the Company to Niowave.

(g) No proceeding challenging this Agreement or the transactions contemplated hereby, or seeking to prohibit, alter, prevent or materially delay the Initial Closing, shall have been instituted or be pending before any Governmental Authority, and no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any law, rule, regulation, judgment, decree, executive order or award which is then in effect and has the effect of making the transactions contemplated hereby illegal or otherwise prohibiting consummation of such transactions.

(h) The Company shall have delivered to the Transfer Agent irrevocable written instructions to issue the Initial Securities to Niowave and establish a reserve account for the shares of Common Stock issuable upon the exercise of the Warrants in a form and substance acceptable to the Transfer Agent.

(i) The Company shall have filed with Nasdaq a Listing of Additional Shares Notification Form for the listing of the Initial Securities and the shares underlying the Warrants, if required, and Nasdaq shall not have raised an objection to the consummation of the transactions contemplated by this Agreement, the Investor Rights Agreement and the Collaboration Agreement in the absence of stockholder approval of such transactions.

(j) The Company shall have delivered Valid Account Details, together with a Form W-9, to Niowave .

(k) No Material Adverse Effect with respect to the Company or its subsidiaries shall have occurred or be existing as of the Initial Closing Date.

(l) The Principal Market shall not have commenced any final delisting proceedings against the Company.

2.6.2 The obligations of the Company hereunder in connection with the Initial Closing are subject to the following conditions being satisfied or waived:

(a) The representations and warranties of Niowave set forth in Section 3.2 hereof that are not qualified by materiality shall be true and correct in all material respects as of the Initial Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date) and the representations and warranties of Niowave set forth in Section 3.2 hereof that are qualified by materiality shall be true and correct in all respects as of

the Initial Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date).

(b) Niowave shall have complied in all material respects with its covenants hereunder as of the Initial Closing Date.

(c) Niowave shall have duly executed and delivered the Collaboration Agreement, and such agreement shall be in full force and effect.

(d) Niowave shall have duly executed and delivered the Investor Rights Agreement, and such agreement shall be in full force and effect.

(e) All closing deliverables required under Section 2.4.2 shall have been delivered by Niowave to the Company.

(f) No proceeding challenging this Agreement or the transactions contemplated hereby, or seeking to prohibit, alter, prevent or materially delay the Initial Closing, shall have been instituted or be pending before any Governmental Authority, and no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any law, rule, regulation, judgment, decree, executive order or award which is then in effect and has the effect of making the transactions contemplated hereby illegal or otherwise prohibiting consummation of such transactions.

2.7 Conditions to each Additional Closing.

2.7.1 The obligations of Niowave hereunder in connection with each Additional Closing, if any, are subject to the following conditions being satisfied or waived:

(a) The representations and warranties of the Company set forth in Section 3.1 that are not qualified by materiality shall be true and correct in all material respects as of such Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date) and the representations and warranties of the Company set forth in Section 3.1 that are qualified by materiality shall be true and correct in all respects as of such Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date).

(b) The Company shall have complied in all material respects with its covenants hereunder as of such Closing Date.

(c) Each of the Collaboration Agreement and the Investor Rights Agreement shall continue to be in full force and effect.

(d) The Company shall have obtained any and all consents, permits, approvals, registrations and waivers necessary for the consummation of the purchase and sale of the applicable Additional Shares, all of which shall be in full force and effect.

(e) All closing deliverables as required under Section 2.5.1 shall have been delivered by the Company to Niowave.

(f) No proceeding challenging this Agreement or the transactions contemplated hereby, or seeking to prohibit, alter, prevent or materially delay such Additional Closing, shall have been instituted or be pending before any Governmental Authority, and no Governmental Authority shall have enacted, issued, promulgated, enforced or entered any law, rule, regulation, judgment, decree, executive order or award which is then in effect and has the effect of making the transactions contemplated hereby illegal or otherwise prohibiting consummation of such transactions.

(g) The Company shall have delivered to the Transfer Agent irrevocable written instructions to issue the Additional Shares to Niowave in a form and substance acceptable to the Transfer Agent.

(h) The Company shall have filed with Nasdaq a Listing of Additional Shares Notification Form for the listing of the applicable Additional Shares, if required, and Nasdaq shall not have raised an objection to the consummation of the transactions contemplated by this Agreement, the Investor Rights Agreement and the Collaboration Agreement in the absence of stockholder approval of such transactions.

(i) The Company shall have delivered Valid Account Details, together with a Form W-9, to Niowave.

(j) No Material Adverse Effect with respect to the Company or its subsidiaries shall have occurred or be existing as of such Closing Date.

(k) The Principal Market shall not have commenced any final delisting proceedings against the Company.

2.7.2 The obligations of the Company hereunder in connection with each Additional Closing, if any, are subject to the following conditions being satisfied or waived:

(a) The representations and warranties of Niowave set forth in Section 3.2 hereof that are not qualified by materiality shall be true and correct in all material respects as of such Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date) and the representations and warranties of Niowave set forth in Section 3.2 hereof that are qualified by materiality shall be true and correct in all respects as of such Closing Date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date).

(b) Niowave shall have complied in all material respects with its covenants hereunder as of such Closing Date.

(c) Each of the Collaboration Agreement (without regard to any partial termination thereunder) and the Investor Rights Agreement shall continue to be in full force and effect.

(d) All closing deliverables required under Section 2.5.2 shall have been delivered by Niowave to the Company.

(e) No proceeding challenging this Agreement or the transactions contemplated hereby, or seeking to prohibit, alter, prevent or materially delay such Additional Closing, shall have been instituted or be pending before any Governmental Authority.

2.8 Taxes. The Company shall pay any and all transfer, stamp or similar taxes that may be payable with respect to the issuance and delivery of any shares of Common Stock to Niowave made under this Agreement.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. The Company hereby makes the following representations and warranties to Niowave as of the date hereof, as of the Initial Closing Date and as of any Additional Closing Date (except, in each case, (i) for the representations and warranties that speak as of a specific earlier date, which shall be made as of such date, and (ii) as otherwise set forth in the Disclosure Schedule, if any, delivered herewith or at such Additional Closing). Each such date is referred to as a Representation Date.

3.1.1 Organization and Good Standing. The Company and each of its subsidiaries (including Aptevo Research and Development) have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization. The Company and each of its subsidiaries are duly licensed or qualified to do business and are in good standing in each jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such license or qualification, and have all corporate power and authority necessary to own or hold their respective properties and to conduct their respective businesses, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

3.1.2 Subsidiaries. All of the outstanding shares of capital stock or equivalent equity interests of each subsidiary listed in Exhibit 21 to the Company's most recent Annual Report on Form 10-K filed with the Commission are owned of record and beneficially, directly or indirectly, by the Company free and clear of all material Liens, pledges, security interests or other encumbrances.

3.1.3 Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this Agreement by the Company and the consummation by it of the transactions

contemplated hereby (including the issuance and sale of the Shares by the Company) have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Company's board of directors or the Company's stockholders in connection herewith other than the Required Approvals (as defined below). This Agreement has been duly executed by the Company and, when delivered in accordance with the terms hereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (a) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (b) insofar as indemnification and contribution provisions may be limited by applicable law.

3.1.4 No Conflicts; Filings, Consents and Approvals. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby (including the issuance of the Shares) will not (i) conflict with or result in a violation of any provision of the Company's Restated Certificate of Incorporation or Amended and Restated Bylaws, each as in effect on the date hereof, (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default under, any agreement, indenture, or instrument to which the Company is a party, or (iii) result in a violation of any law applicable to the Company, except in the case of clauses (ii) and (iii) only, for such conflicts, breaches, defaults, and violations as would not reasonably be expected to have, a Material Adverse Effect on the Company. The Company is not required to obtain any consent, waiver, approval, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other Governmental Authority or other Person in the United States in connection with the execution, delivery and performance by the Company of this Agreement (including the offer, sale or issuance of the Shares by the Company), other than the listing of the Shares on Nasdaq, filing a Form D with the Commission or as may be required under applicable state securities laws or the by-laws and rules of the Financial Industry Regulatory Authority (collectively, the "Required Approvals").

3.1.5 Issuance of Securities. The Initial Securities and Additional Shares are duly authorized and, when issued and paid for in accordance with this Agreement, will be validly issued, fully paid and nonassessable, free and clear of all Liens, other than restrictions on transferability under the Investor Rights Agreement and applicable federal securities laws. The Shares are not and will not be subject to any preemptive rights held by any holders of any security of the Company or any similar contractual rights granted by the Company to any Person.

3.1.6 Material Changes; Undisclosed Events, Liabilities or Developments. Since the date of the audited financial statements included within the Company's most recent Annual Report on Form 10-K, except as specifically disclosed in a subsequent SEC Report, there has been no event, occurrence or development that has had or that could reasonably be expected to, either individually or in the aggregate, have a Material Adverse Effect on the business, condition (financial or other), assets, liabilities or results of operations of the Company, taken as a whole.

3.1.7 No General Solicitation. Neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) in connection with the offer or sale of the Shares.

3.1.8 Private Placement. Neither the Company nor any Person acting on its behalf, has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under any circumstances that would require registration of the Shares under the Securities Act. Subject to the accuracy of the representations made by Niowave in Section 3.2 the Shares will be issued and sold to Niowave in compliance with applicable exemptions from the registration and prospectus delivery requirements of the Securities Act and the registration and qualification requirements of all applicable securities laws of the states of the United States. The Company has not engaged any brokers, finders or agents, or incurred, or will incur, directly or indirectly, any liability for brokerage or finder's fees or agents' commissions or any similar charges in connection with this Agreement and the transactions contemplated hereby, other than brokerage or finder's fees or agent's commissions or similar charges for which the Company is wholly responsible.

3.1.9 No Integration. The Company has not, directly or through any agent, sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any security (as defined in the Securities Act) that is or will be integrated with the Shares sold pursuant to this Agreement in a manner that would require the registration of the Shares under the Securities Act.

3.2Representations and Warranties of Niowave. Niowave hereby makes the following representations and warranties to the Company as of the date hereof, as of the Initial Closing Date and as of any Additional Closing Date (except, in each case, for the representations and warranties that speak as of a specific earlier date, which shall be made as of such date).

3.2.1 Organization; Authority; Enforcement. Niowave is duly incorporated, validly existing and in good standing under the laws of the State of Michigan, with all requisite power and authority to own, lease, operate and use its properties and assets and to carry on its business as currently conducted and as it is presently proposed to be conducted. Niowave has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder. The execution and delivery of this Agreement by Niowave and the consummation by it of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Niowave and no further action is required by Niowave, Niowave's board of directors or Niowave's stockholders in connection herewith. This Agreement has been duly executed by Niowave and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of Niowave enforceable against Niowave in accordance with its terms, except (a) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (b) insofar as indemnification and contribution provisions may be limited by applicable law.

3.2.2 No Conflicts; Filings, Consents and Approvals. The execution, delivery and performance of this Agreement by Niowave and the consummation by Niowave of the transactions contemplated hereby will not (i) conflict with or result in a violation of any provision of the Niowave's Articles of Incorporation or Code of Bylaws, each as in effect on the date hereof, (ii) violate or conflict with, or result in a breach of any provision of, or constitute a default under, any agreement, indenture, or instrument to which the Niowave is a party, or (iii) result in a violation of any law applicable to Niowave, except in the case of clauses (ii) and (iii) only, for such conflicts, breaches, defaults, and violations as would not reasonably be expected to result in a liability for the Company or prevent the consummation of this Agreement. Niowave is not required to obtain any consent, waiver, approval, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other Governmental Authority or other Person in the United States in connection with the execution, delivery and performance by Niowave of this Agreement.

3.2.3 Niowave Status. At the time Niowave was offered the Shares, it was, and as of the date hereof it is either: (a) an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act or (b) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act. Niowave is acting alone in its determination as to whether to invest in the Shares.

3.2.4 Experience of Niowave. Niowave, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Shares, and has so evaluated the merits and risks of such investment. Niowave is able to bear the economic risk of an investment in the Shares and, at the present time, is able to afford a complete loss of such investment.

3.2.5 Access to Information. Niowave acknowledges that it has had the opportunity to review the SEC Reports and has been afforded, (a) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Shares and the merits and risks of investing in the Shares; (b) access to information (other than material non-public information) about the Company and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (c) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment.

3.2.6 Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, Niowave has not, nor has any Person acting on behalf of or pursuant to any understanding with Niowave, directly or indirectly executed any purchases or sales, including any "short sales" as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include locating and/or borrowing shares of Common Stock) of the securities of the Company during the period commencing as of the time that Niowave first received any materials setting forth the material pricing

terms of the transactions contemplated hereunder and ending immediately prior to the execution hereof.

3.2.7 Legends. Niowave understands and agrees that the Shares will bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of the Shares):

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH THE SECURITIES COMMISSION OF ANY STATE, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY AND THE COMPANY'S TRANSFER AGENT.

THE SECURITIES REPRESENTED HEREBY ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD, AS SET FORTH IN AN INVESTOR RIGHTS AGREEMENT, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

3.2.8 Reliance on Exemptions. Niowave understands that the Shares are being offered and sold to it in reliance upon specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of the representations and warranties of Niowave set forth in this Section 3.2 in order to determine the availability of such exemptions and the eligibility of Niowave to acquire the Shares.

3.2.9 No Disqualification Events. Niowave is not subject to any Disqualification Event, except for Disqualification Events covered by Rule 506(d)(2) or (d)(3) under the Securities Act and disclosed reasonably in advance of the Closing in writing in reasonable detail to the Company.

ARTICLE 4

OTHER AGREEMENTS OF THE PARTIES

4.1Survival. The representations, warranties, covenants and agreements contained in this Agreement shall survive the Closings and the delivery of the Shares and any termination of this Agreement for the applicable statute of limitations.

4.2Legend Removal. The Company shall direct its transfer agent to remove the transfer restriction set forth in Section 3.2.7 applicable to any portion of the Shares that are restricted securities, upon the written request of Niowave, within two (2) Business Days of the Company's receipt of such request, at such time as such portion of the Shares (a) are being sold

by Niowave pursuant to Rule 144 or (b) may be transferred without the requirement that the Company be in compliance with the public information requirements and volume or manner-of-sale restrictions under Rule 144. Niowave, or if the Company's transfer agent requires, the Company, shall provide such opinions of counsel reasonably requested by the Company's transfer agent in connection with the removal of legends pursuant to this Section 4.2.

4.3Book Entry Statement. The Company hereby agrees to cause the Company's transfer agent to deliver to Niowave a book entry share position for the applicable Shares registered in the name of Niowave within ten (10) Business Days following each Closing.

4.4Confidentiality. Niowave covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company, Niowave will maintain the confidentiality of the existence and terms of this transaction, except as required by applicable law, regulation, or legal process, or as necessary to disclose to its advisors, attorneys, accountants, and potential assignees under confidentiality obligations.

4.5Due Diligence. With respect to each proposed purchase of Additional Shares, upon Niowave's request, including any such request made prior to delivery of an Additional Shares Purchase Exercise Notice, the Company shall expend commercially reasonable efforts cooperating with any due diligence review conducted by Niowave or its representatives in connection with such proposed purchase of Additional Shares, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company's principal offices, as Niowave may request.

4.6Events of Default. An "Event of Default" shall be deemed to have occurred and be occurring at any time as any of the following events occurs and has not been cured:

4.6.1 any final notice of institution of delisting proceedings with respect to the Common Stock from the Principal Market until such time as Company has moved its listing to another market or exchange constituting a Principal Market;

4.6.2 the material breach of any representation or warranty on a Representation Date or any covenant under this Agreement, except, in the case of a breach of a covenant which is reasonably curable, only if such breach continues uncured for a period of at least twenty (20) Business Days;

4.6.3 if any Person commences an Action against the Company pursuant to or within the meaning of any Bankruptcy Law and such Action is not dismissed or stayed within 45 calendar days;

4.6.4 if the Company pursuant to or within the meaning of any Bankruptcy Law; (A) commences a voluntary case, (B) consents to the entry of an order for relief against it in an involuntary case, (C) consents to the appointment of a Custodian of it or for all or substantially all of its property or (D) makes a general assignment for the benefit of its creditors;

4.6.5 a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that (A) is for relief against the Company in an involuntary case, (B)

appoints a Custodian of the Company or for all or substantially all of its property, or (C) orders the liquidation of the Company or any subsidiary; or

4.6.6 the Collaboration Agreement is terminated early for any reason.

In addition to any other rights and remedies under applicable law and this Agreement, including the Niowave termination rights under Section 5.5 hereof, so long as an Event of Default has occurred and is continuing, or if any event which, after notice and/or lapse of time, would become an Event of Default, has occurred and is continuing, Niowave shall have the option, in its sole discretion, to either (i) waive such Event of Default and proceed with purchases of Additional Shares, or (ii) suspend its obligation to purchase Additional Shares until such Event of Default is cured. The Company shall not be obligated to sell any Additional Shares during any such suspension period. If pursuant to or within the meaning of any Bankruptcy Law, the Company commences a voluntary case or any Person commences a proceeding against the Company which is not dismissed or stayed within 45 days, a Custodian is appointed for the Company or for all or substantially all of its property, or the Company makes a general assignment for the benefit of its creditors, this Agreement shall automatically terminate without any liability or payment to the Company without further action or notice by any Person.

ARTICLE 5

MISCELLANEOUS

5.1Fees and Expenses. Each party shall pay all fees and expenses that it incurs (including on account of any of their respective advisers, counsel, accountants and other experts) in connection with the negotiation, preparation, execution and delivery of this Agreement. The Company shall pay all Transfer Agent fees (including, without limitation, any fees required for same-day processing of any instruction letter delivered by the Company), stamp taxes and other taxes and duties levied in connection with the delivery of any Shares to Niowave.

5.2Entire Agreement. This Agreement, the Collaboration Agreement, including the appendices and schedules attached thereto, and the Investor Rights Agreement contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing (whether or not specifically stated), shall specifically refer to this Agreement, and shall be addressed to the appropriate party at the address specified below or such other address as may be specified by such party in writing in accordance with this Section 5.3, and shall be deemed to have been given for all purposes (i) when received, if hand-delivered or sent by a reputable international expedited delivery service (with receipt confirmed), (ii) if given by e-mail, upon receipt of confirmation of receipt of an e-mail transmission (including automated confirmation of delivery) and (iii) five (5) Business Days after mailing, if mailed by first class certified or registered mail, postage prepaid, return receipt requested. This Section 5.3 is not intended to govern the day-to-day business communications necessary between the parties in

performing their obligations under the terms of this Agreement (for which e-mail or other methods of communications shall suffice).

If to the Company:	Aptevo Therapeutics Inc. Attention: General Counsel 2401 4th Avenue, Suite 1050 Seattle, WA 98121 Email: **[***]**
With a copy to (which shall not constitute notice):	Paul Hastings LLP Attention: Sean Donahue 2050 M Street NW Washington, DC 20036 Email: **[***]**
If to Niowave:	Niowave, Inc. Attention: Mike Zamiara 1012 N Walnut Street Lansing, MI 48906 Email: **[***]**
With a copy to (which shall not constitute notice):	Barnes & Thornburg LLP Attention: Kepten D. Carmichael 11 South Meridian Street Indianapolis, Indiana 46204 Email: **[***]**

5.4Amendments; Waivers. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless reduced to writing and signed by an authorized officer of each party. Any delay in enforcing a party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such party's rights to the future enforcement of its rights under this Agreement, except with respect to an express written and signed waiver relating to a particular matter for a particular period of time.

5.5Termination. This Agreement shall terminate in the event that (a) the Collaboration Agreement terminates in its entirety for any reason or (b) the Company consummates any merger, consolidation or similar transaction, unless immediately following the consummation of such transaction, the stockholders of the Company immediately prior to the consummation of such transaction continue to hold, as a result of their holding of outstanding Common Stock and other securities entitled to vote for the election of directors of the Company immediately prior to the consummation of such transaction, in aggregate more than 50% of the outstanding Common Stock and other securities entitled to vote for the election of directors of the surviving or resulting entity in such transaction. If not earlier terminated, this Agreement shall automatically terminate upon the later of (A) the expiration of the Exercise Period and (B) the occurrence of all Additional Closings with respect to sales of Additional Shares under any Additional Shares Purchase Exercise Notice(s) made and duly given on or prior to the expiration of the Exercise Period.

5.6Construction; Headings. The terms "includes," "including," "include" and derivative forms of them shall be deemed followed by the phrase "without limitation" (regardless of whether it is actually written (and drawing no implication from the actual inclusion of such phrase in some instances after such terms but not others)) and the term "or" has the inclusive meaning represented by the phrase "and/or" (regardless of whether it is actually written (and drawing no implication from the actual use of the phrase "and/or" in some instances but not in others)). Unless specified to the contrary, references to Articles or Sections shall refer to the particular Articles or Sections of or to this Agreement. The word "day," "quarter" or "year" (and derivatives thereof, e.g., "quarterly") shall mean a calendar day, calendar quarter or calendar year unless otherwise specified. The word "hereof," "herein," "hereby" and derivative or similar word refers to this Agreement. The words "will" and "shall" shall have the same obligatory meaning. Provisions that require that a party or parties hereunder "agree," "consent" or "approve" or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter or otherwise. Words of any gender include the other gender. Words using the singular or plural number also include the plural or singular number, respectively. References to any specific law or article, section or other division thereof shall be deemed to include the then-current amendments or any replacement law thereto, and any rules and regulations promulgated thereunder. All dollar-denominated amounts herein are in United States dollars. This Agreement has been prepared jointly and shall not be strictly construed against either party. Ambiguities, if any, in this Agreement shall not be construed against either party, irrespective of which party may be deemed to have authored the ambiguous provision. The headings of each Article and Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Article or Section.

5.7Adjustments. In the event of any stock split, subdivision, dividend or distribution payable in shares of Common Stock (or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly shares of Common Stock), combination or other similar recapitalization or event occurring after the date of this Agreement, each reference in this Agreement shall be deemed to be amended to appropriately account for such event.

5.8Further Assurances. Each party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

5.9Successors and Assigns. This Agreement may not be assigned by a party hereto without the prior written consent of the other party, *provided*, *however*, that Niowave may assign its rights and delegate its duties hereunder in whole or in part to an Affiliate without the prior written consent of the Company, *provided* such assignee agrees in writing to be bound by the provisions hereof that apply to Niowave. The provisions of this Agreement shall inure to the benefit of and be binding upon the respective permitted successors and assigns of the parties.

5.10Third Party Beneficiaries. This Agreement is not intended to and shall not be construed to give any third party any interest, rights (including any third party beneficiary rights), remedies, obligations, or liabilities with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as expressly provided in this Agreement.

5.11Governing Law. This Agreement shall be governed by and construed under the substantive laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

5.12Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of Niowave and the Company will be entitled to seek specific performance under this Agreement. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in this Agreement and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.13WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

5.14Attorneys' Fees. In the event that any action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, each party shall bear its own fees, costs and expenses of enforcing any right of such party under or with respect to this Agreement.

5.15Counterparts; Electronic Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file (including any ".pdf" including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., a signature applied with DocuSign), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

5.16Severability. If any one or more of the provisions of this Agreement is held to be invalid or unenforceable by an arbitrator or by any court of competent jurisdiction from which no appeal can be or is taken, the provision shall be considered severed from this Agreement and shall not serve to invalidate any remaining provisions hereof. The parties shall make a good faith effort to replace any invalid or unenforceable provision with a valid and enforceable one such that the objectives contemplated by the parties when entering into this Agreement may be realized.

5.17Investor Rights Agreement. For clarity, the parties agree and acknowledge that this Agreement is the "Purchase Agreement" under and as defined in the Investor Rights Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Common Stock Purchase Agreement to be duly executed by their respective authorized signatories as of May 25, 2026.

Aptevo Therapeutics Inc.

By: ____
Name: Jeffrey Lamothe
Title: President and Chief Executive Officer

Niowave, Inc.

By: ____
Name: Mike Zamiara
Title: Chief Executive Officer

Exhibit A

Cross-Receipt

Exhibit B

Form of Warrant

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) of the type that the Registrant treats as private and confidential.

Execution Version

Exhibit 10.4

APTEVO THERAPEUTICS INC.

INVESTOR RIGHTS AGREEMENT

This Investor Rights Agreement (this "Agreement") is made as of May 25, 2026, by and between Aptevo Therapeutics Inc., a Delaware corporation (the "Company"), and Niowave, Inc., a Michigan corporation ("Niowave").

WHEREAS, concurrently herewith, Niowave and the Company's wholly owned subsidiary, Aptevo Research and Development LLC, a Delaware limited liability company ("Aptevo Research and Development"), have entered into a Collaboration Agreement (the "Collaboration Agreement") pursuant to which they have established a collaboration with respect to certain of the Company's product development programs;

WHEREAS, concurrently herewith, the Company and Niowave have entered into a Common Stock Purchase Agreement (the "Purchase Agreement") pursuant to which Niowave has agreed to purchase from the Company the Initial Shares (as defined in the Purchase Agreement) of the Company's common stock, par value $0.001 per share ("Common Stock"), and may elect to purchase additional shares of Common Stock in the future; and

WHEREAS, the Company and Niowave wish to set forth in this Agreement certain terms and conditions regarding Niowave's ownership of Common Stock and certain other matters as set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1Definitions. For purposes of this Agreement:

1.1.1 "Affiliate" means any Person that, directly or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with a Person.

1.1.2 "Beneficially Own" has the meaning specified in Rule 13d-3 promulgated under the Exchange Act.

1.1.3 "Board" means the Board of Directors of the Company.

1.1.4 "Business Day" means any day on which Nasdaq and commercial banks in the City of New York are open for business.

1.1.5 "Closing Date" means the Initial Closing Date as defined in the Purchase Agreement.

1.1.6 "Collaboration Agreement" has the meaning set forth in the recitals.

1.1.7 "Commission" means the United States Securities and Exchange Commission.

1.1.8 "Commission Rule 144" means Rule 144 promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

1.1.9 "Commission Rule 415" means Rule 415 promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

1.1.10 "Common Stock" has the meaning set forth in the recitals.

1.1.11 "Company Capitalization" means, as of any date of measurement, the total number of outstanding shares of voting capital stock of the Company.

1.1.12 "Control," including the terms "Controlling," "Controlled by" and "under common Control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting shares, by contract or otherwise.

1.1.13 "Entity" means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), branch office, firm or other enterprise, association, organization or entity.

1.1.14 "Equity Securities" means (a) any shares of Common Stock or preferred stock of the Company, and (b) any other security, financial instrument, certificate and other right (including options, futures, swaps and other derivatives) issued or, with respect to options, futures, swaps and other derivatives, contracted by the Company and representing, being exercisable, convertible or exchangeable into or for, or otherwise providing a right to acquire, directly or indirectly, any of the Equity Securities referred to in clause (a). Notwithstanding the foregoing, the Warrants and the shares of Common Stock issuable upon the exercise of the Warrants shall not be considered Equity Securities for purposes of Article III hereof.

1.1.15 "Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.1.16"Final Closing Date" means the latest occurring Additional Closing Date (as defined in the Purchase Agreement) or, if no Additional Closing (as defined in the Purchase Agreement) has occurred, the Initial Closing Date.

1.1.17"Final Prospectus" has the meaning set forth in Section 6.1.1.

1.1.18"Holder" means Niowave or its permitted successors and assigns pursuant to Section 7.8 of this Agreement.

1.1.19"Indemnified Party" has the meaning set forth in Section 6.1.3.

1.1.20"Indemnifying Party" has the meaning set forth in Section 6.1.3.

1.1.21"Initial Shares" means the Initial Shares as defined in the Purchase Agreement.

1.1.22"Lock-up Period" has the meaning set forth in Section 3.1.

1.1.23"Nasdaq" means the Nasdaq Stock Market.

1.1.24"Person" means any individual, Entity or governmental authority.

1.1.25"Principal Market" means the Nasdaq Capital Market; *provided*, *however*, that in the event the Company's Common Stock is ever listed or traded on the New York Stock Exchange, the NYSE MKT, the Nasdaq Global Market or the Nasdaq Global Select Market, then the "Principal Market" shall mean such other market or exchange on which the Company's Common Stock is then listed or traded.

1.1.26"Purchase Agreement" has the meaning set forth in the recitals.

1.1.27"Registrable Securities" means (a) the shares of Common Stock purchased by Niowave under the Purchase Agreement, (b) the shares of Common Stock issued or issuable upon the exercise of any of the Warrants, and (c) any shares of Common Stock issued as a dividend or other distribution with respect to, in exchange for or in replacement of such shares; *provided, however*, that securities shall cease to be Registrable Securities if they (i) have been disposed of pursuant to a registration statement declared effective by the Commission, (ii) have been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale or (iii) may be sold or transferred by non-affiliates without any volume limitations pursuant to Commission Rule 144.

1.1.28"Registration Expenses" means all expenses incurred by the Company in performing or complying with Article 5, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of the Company's counsel and one counsel for Niowave (which amount may not exceed $15,000), blue sky fees and accounting fees.

1.1.29"Registration Period" has the meaning set forth in Section 5.1.3.

1.1.30"Registration Statement" has the meaning set forth in Section 5.1.1.

1.1.31"Restricted Securities" means shares of Common Stock held by Niowave or any of its Affiliates, or by any person to whom such shares are transferred by Niowave, any of its Affiliates or any of their respective transferees, that are "restricted securities" as defined in Commission Rule 144.

1.1.32"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.1.33"Selling Expenses" means all underwriting discounts and selling commissions applicable to an offering involving Registrable Securities registered pursuant to Article 5.

1.1.34"Shares" means the Shares as defined in the Purchase Agreement.

1.1.35"Standstill Period" has the meaning set forth in Section 2.1.

1.1.36"Underwritten Offering" has the meaning set forth in Section 5.3.2.

1.1.37"Warrants" means the Warrants as defined in the Purchase Agreement.

Capitalized terms used but not defined herein shall have the meanings given to them in the Purchase Agreement.

ARTICLE 2

STANDSTILL

2.1Standstill Obligation. The standstill obligation, as set out in this Article 2, will be in effect for the period (the "Standstill Period") beginning on the Closing Date and ending the date on which the Collaboration Agreement is terminated in its entirety.

2.2Standstill Limitations. During the Standstill Period, Niowave shall not and shall cause its Controlled Affiliates to not, without the prior express written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed), directly or indirectly:

2.2.1 acquire any Equity Securities of the Company other than pursuant to (a) the Purchase Agreement, (b) the Warrants or (c) in any other transaction with the Company;

2.2.2 knowingly encourage or support a tender, exchange or other offer or proposal by a third party for an extraordinary transaction or series of related transactions resulting in an extraordinary transaction involving the Company;

2.2.3 propose any (a) merger, consolidation, business combination, tender or exchange offer, purchase of substantially all of the Company's consolidated assets or

businesses, or similar extraordinary transaction or series of related transactions resulting in an extraordinary transaction involving the Company or (b) recapitalization, restructuring, liquidation or other extraordinary transaction with respect to the Company;

2.2.4 (a) publicly submit matters to, publicly request that matters be submitted to, or publicly request the convening of, a meeting of the stockholders of the Company in opposition to the Board's recommendation, or (b) solicit proxies or consents, or become a participant in a solicitation in opposition to the Board's recommendation in relation to matters submitted to a meeting of the stockholders of the Company; or

2.2.5 (a) make public statements with respect to (unless legally obliged to do so) or (b) with the actual knowledge of Niowave's executive officers, provide assistance to, commit to, or discuss or enter into any agreement or arrangement with any party to do, any of the foregoing prohibited actions.

2.2.6 The foregoing standstill provisions shall not prohibit passive investments by a pension or employee benefit plan or trust for Niowave's employees.

For the avoidance of doubt, nothing contained within Section 2.2.4 of this Agreement shall require Niowave to vote or tender the Equity Securities in favor of any transaction implicated by such section.

2.3Reevaluation. Each of the Company and Niowave agree to evaluate in good faith the need for the continuation of the standstill obligation, as set out in this Article 2, on the fifth anniversary of this Agreement. In the event the parties determine that the standstill obligation is no longer necessary, the parties shall amend the terms of this Agreement in accordance with the procedures set forth in Section 7.4 of this Agreement.

ARTICLE 3

LOCK-UP

3.1Lock-Up Obligation. During the period beginning on the Closing Date and ending the date on which the Collaboration Agreement is terminated in its entirety (the "Lock-up Period"), Niowave shall not, and shall cause its Affiliates not to, without the prior consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed), transfer, sell or otherwise dispose of any Equity Securities held by Niowave or any of its Affiliates, other than transfers, sales or dispositions permitted pursuant to Section 3.3.

3.2Limitation on Dispositions. During the period beginning with the expiration of the Lock-up Period and ending on the date that is four (4) calendar weeks from the expiration date of the Lock-up Period, Niowave and any of its Affiliates may, after notifying the Company of their intent to do so, transfer, sell or otherwise dispose of the Equity Securities held by Niowave or any of its Affiliates, *provided* that:

3.2.1 when selling the shares of Common Stock on the open market or in a block trade, Niowave and its Affiliates collectively shall be permitted to sell shares in an amount that, together with all sales of Common Stock sold for the account of Niowave and its

Affiliates within the preceding thirty days, does not exceed the greater of: (i) 1% of the Company's outstanding shares of Common Stock or (ii) the average weekly trading volume on the Principal Market during the four weeks preceding such sale; and

3.2.2 when selling the shares of Common Stock through a privately negotiated transaction, the transaction shall not be subject to the limitations in this Section 3.2 if it is not and will not be required to be reported on the Nasdaq consolidated tape.

3.3Permitted Transfers. A transfer, sale or other divestment of Equity Securities by Niowave to any of its Affiliates shall be permitted and not be subject to the restrictions set out in Section 3.1 or Section 3.2, *provided* that (a) the obligations of Niowave pursuant to this Agreement remain unaffected by the proposed transfer, sale or divestment, (b) the transferee agrees in writing to be bound by the restrictions set out in Section 3.1 and Section 3.2 in relation to the Equity Securities it received and the other obligations of Niowave in relation to the Equity Securities under this Agreement and (c) the relevant Equity Securities will be re-transferred to Niowave immediately in the event the transferee ceases to be an Affiliate of Niowave.

3.4Reevaluation. Each of the Company and Niowave agree to evaluate in good faith the need for the continuation of the lock-up obligation, as set out in this Article 3, on the fifth anniversary of this Agreement. In the event the parties determine that the lock-up obligation is no longer necessary, the parties shall amend the terms of this Agreement in accordance with the procedures set forth in Section 7.4 of this Agreement.

ARTICLE 4

ADDITIONAL COVENANTS

4.1"Market Stand-off" Agreement. Niowave hereby agrees that it and its Controlled Affiliates will not, without the prior written consent of any managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company of shares of its Common Stock or any other Equity Securities under the Securities Act on a registration statement in an underwritten public offering of Common Stock, and ending on the date specified by the Company and the managing underwriter, *provided* that such date shall not be later than 90 days following the date of such final prospectus, (a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (whether such shares or any such securities are then owned by Niowave or its Affiliates or are thereafter acquired) or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 4.1 shall be applicable to Niowave and its Affiliates only if all executive officers, and directors of the Company's are subject to the same restrictions and for the same duration. If any other Person who has agreed to similar restrictions is released by the Company or the underwriters from such restrictions, then Niowave and its Affiliates shall be released from such restrictions applicable to Niowave and its Affiliates to the same extent as such other Person is

released. The underwriters in connection with such registration are intended third party beneficiaries of this Section 4.1 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Niowave further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 4.1 or that are necessary to give further effect thereto.

4.2Restrictions on Transfer.

4.2.1 Subject to Article 5, the Shares will not be sold, pledged, or otherwise transferred, and the Company will not recognize and will issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except such sales, pledges or transfers as are executed in accordance with Article 5 or upon the conditions specified in this Section 4.2, which conditions are intended to ensure compliance with the provisions of the Securities Act. Niowave, if effecting a transfer of Shares other than a sale pursuant to Commission Rule 144 or sale pursuant to a registration statement under the Securities Act, will cause any proposed purchaser, pledgee, or transferee of the Shares to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Section 4.2.

4.2.2 Niowave consents to the Company making a notation in its records and giving instructions to any transfer agent of the Common Stock in order to implement the restrictions on transfer set forth in this Section 4.2.

4.2.3 Niowave agrees that before any proposed sale, pledge, or transfer of any Restricted Securities that is not effected pursuant to Commission Rule 144, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, Niowave will give notice to the Company of its intention to effect such sale, pledge, or transfer. Each such notice will describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, will be accompanied at Niowave's expense by either: (a) a written opinion of legal counsel who will, and whose legal opinion will, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (b) a "no action" letter from the Commission to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto; or (c) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon Niowave will be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by Niowave to the Company and such securities will no longer constitute Restricted Securities for purposes of this Agreement. The Company will not require such a legal opinion or "no action" letter in any transaction in which Niowave distributes Restricted Securities to an Affiliate of Niowave for no consideration; *provided* that each such transferee agrees in writing to be subject to the terms of this Section 4.2. Each certificate or instrument evidencing the Restricted Securities transferred as above provided will bear, except if such transfer is

made pursuant to Commission Rule 144, the appropriate restrictive legend set forth in Section 3.2.7 of the Purchase Agreement, except that such certificate will not bear such restrictive legend if, in the opinion of counsel for Niowave and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act. The Company will take all actions necessary to have the lock-up legend set forth in Section 3.2.7 of the Purchase Agreement removed from all Restricted Securities on the day the Lock-up Period expires.

ARTICLE 5

REGISTRATION RIGHTS

5.1 Registration Statements.

5.1.1 If following the Initial Closing Niowave or any Holder holds any Registrable Securities, the Company shall upon Niowave's written request (a) within 60 days after the date of such request, file a registration statement on Form S-3, or (b) within 90 days after the date of such request, file a registration statement on Form S-1 if the Company is not eligible to register such Registrable Securities on Form S-3, in each case covering the resale of the Registrable Securities for an offering to be made on a continuous basis pursuant to Commission Rule 415, or if Commission Rule 415 is not available for offers and sales of the Registrable Securities, by such other means of distribution of Registrable Securities as Niowave may reasonably specify, and will use commercially reasonable efforts to have such registration statement on Form S-1 or S-3 (either such registration statement, the "Registration Statement") promptly declared effective by the Commission (a "Registration Request"). Niowave may deliver one (1) Registration Request during the term of this Agreement. For purposes of clarification, any failure by the Company to file the Registration Statement by the applicable deadline set forth in this Section 5.1.1 shall not otherwise relieve the Company of its obligations to file or effect the Registration Statement as set forth above in this Section 5.1.1.

5.1.2 Notwithstanding the foregoing, if the Company furnishes to Niowave a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such Registration Statement to either become effective, because such action would (a) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (b) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (c) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly; *provided* that the Company shall not register any securities for its own account or that of any other stockholder (other than (a) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (b) a registration relating to a Rule 145 transaction; or (c) a registration in which the only Common Stock being

registered is Common Stock issuable upon conversion of debt securities that are also being registered).

5.1.3 **Registration Period**. The Company will use commercially reasonable efforts to keep the Registration Statement continuously effective under the Securities Act for one hundred eighty (180) days following the initial effectiveness of such Registration Statement (such period, the "Registration Period").

5.2Company Obligations. In the case of the registration, qualification, exemption or compliance effected by the Company pursuant to this Agreement, the Company shall, upon reasonable request, inform each Holder as to the status of such registration, qualification, exemption and compliance.

5.2.1 At its expense the Company shall:

(a) advise the Holders at the earliest reasonably practicable time:

(A) when a Registration Statement or any amendment thereto has been filed with the Commission and when such Registration Statement or any post-effective amendment thereto has become effective;

(B) of any request by the Commission for amendments or supplements to the Registration Statement or the prospectus included therein or for additional information;

(C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for such purpose;

(D) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities included therein for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and

(E) of the occurrence of any event that requires the making of any changes in the Registration Statement or prospectus so that, as of such date, the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of a prospectus, in the light of the circumstances under which they were made) not misleading;

(b) use its best efforts to obtain the withdrawal of any order suspending the effectiveness of the Registration Statement as soon as reasonably practicalbe;

(c) during the Registration Period, promptly deliver to each such Holder, without charge, as many copies of each prospectus included in a Registration Statement and any amendment or supplement thereto as such Holder may reasonably request in writing; and the Company consents to the use, consistent

with the provisions hereof, of the prospectus or any amendment or supplement thereto by each of the selling Holders of Registrable Securities in connection with the offering and sale of the Registrable Securities covered by a prospectus or any amendment or supplement thereto;

(d) prior to any public offering of Registrable Securities pursuant to the Registration Statement, take such actions as may be necessary to register or qualify or obtain an exemption for offer and sale under the securities or blue sky laws of such United States jurisdictions as any such Holders reasonably request in writing, *provided* that the Company shall not for any such purpose be required to qualify generally to transact business as a foreign corporation in any jurisdiction where it is not so qualified or to consent to general service of process in any such jurisdiction, and do any and all other acts or things reasonably necessary or advisable to enable the offer and sale in such jurisdictions of the Registrable Securities covered by any such Registration Statement;

(e) upon the occurrence of any event contemplated by Section 5.2.1(a)(E) above, except for such times as the Company is permitted hereunder to suspend the use of a prospectus forming part of a Registration Statement, the Company shall use its commercially reasonable efforts to as soon as reasonably practicable prepare and file a post-effective amendment to such Registration Statement or a supplement to the related prospectus, or file any other required document so that, as thereafter delivered to purchasers of the Registrable Securities included therein, such prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) otherwise use its commercially reasonable efforts to comply in all respects with all applicable rules and regulations of the Commission which could affect the sale of the Registrable Securities;

(g) use its commercially reasonable efforts to cause all Registrable Securities to be listed on each securities exchange or market, if any, on which equity securities issued by the Company have been listed;

(h) use its best efforts to take all other steps necessary to effect the registration of the Registrable Securities contemplated hereby and to enable the Holders to sell Registrable Securities under Commission Rule 144, including but not limited to timely filing all reports required under the Exchange Act and maintaining its status as a current reporting company;

(i) permit counsel for Niowave to review and comment on the Registration Statement and all amendments and supplements thereto (other than any supplements to a Registration Statement on Form S-1 solely for the purpose of incorporating other filings with the Commission into such Registration Statement and other than any amendment to a Registration Statement on Form S-1 on Form S-3 for the purpose of converting such Registration Statement into a Registration

Statement on Form S-3), within two (2) Business Days prior to the filing thereof with the Commission, and shall consider in good faith any comments provided by Niowave's counsel; and

(j) *provided* that, in the case of clause (i) above, the Company shall not be required (a) to delay the filing of the Registration Statement or any amendment or supplement thereto as a result of any ongoing diligence inquiry by or on behalf of a Holder or to incorporate any comments to the Registration Statement or any amendment or supplement thereto by or on behalf of a Holder if such inquiry or comments would require a delay in the filing of such Registration Statement, amendment or supplement, as the case may be, or (b) to provide Niowave or its representatives with material, non-public information unless Niowave agrees in writing to receive such information and enters into a written confidentiality agreement with the Company in a form reasonably acceptable to the Company.

5.3Investor Obligations.

5.3.1 Niowave shall furnish to the Company such information regarding Niowave, and the distribution proposed by Niowave, as the Company may reasonably request in writing and as shall be required in connection with the Registration Statement.

5.3.2 In the event Niowave intends to dispose of the Registrable Securities registered on the Registration Statement through an underwritten public offering (an "Underwritten Offering"), (a) the Company shall select the underwriter(s) of the Underwritten Offering, subject to Niowave's reasonable approval and (b) each of the Company and Niowave shall enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter(s) of such offering; *provided*, that Niowave shall not be required to make any representations and warranties to, or agreements with, any underwriter in a registration other than customary representations, warranties and agreements. Notwithstanding the foregoing, the Company shall not be obligated to effect, or to take any action to effect, any registration or Underwritten Offering pursuant to this Section 5.3.2 (a) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, *provided* that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (b) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (c) if the Company has previously effected one Underwritten Offering pursuant to this Section 5.3.2.

5.4Registration Expenses. The Company shall pay all Registration Expenses incident to the performance of or compliance with Article 5 by the Company. Niowave will bear any Selling Expenses based upon the sale of Registrable Securities.

ARTICLE 6

INDEMNIFICATION

6.1.1 To the extent permitted by law, the Company shall indemnify Niowave, each Holder, and each Person controlling Niowave within the meaning of Section 15 of the Securities Act, with respect to which any registration that has been effected pursuant to this Agreement, against all claims, losses, damages and liabilities (or action in respect thereof), including any of the foregoing incurred in settlement of any litigation, commenced or threatened (subject to Section 6.1.3 below), arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in the Registration Statement, or other document incident to any such registration, qualification or compliance or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in light of the circumstances in which they were made, or any violation by the Company of any rule or regulation promulgated by the Securities Act applicable to the Company and relating to any action or inaction required of the Company in connection with any such registration, qualification or compliance, and will reimburse Niowave, each Holder, and each Person controlling Niowave, for reasonable and documented legal and other out-of-pocket expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action as incurred; *provided* that the Company will not be liable in any such case to the extent that any untrue statement or omission or allegation thereof is made in reliance upon and in conformity with written information furnished to the Company by Niowave for use in preparation of any registration statement, prospectus, amendment or supplement; *provided further*, that the Company will not be liable in any such case where the claim, loss, damage or liability arises out of or is related to the failure of Niowave to comply with the covenants and agreements contained in this Agreement respecting sales of Registrable Securities, and except that the foregoing indemnity agreement is subject to the condition that, insofar as it relates to any such untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus but eliminated or remedied in the amended prospectus on file with the Commission at the time the Registration Statement becomes effective or in an amended prospectus filed with the Commission pursuant to Rule 424(b) which meets the requirements of Section 10(a) of the Securities Act (each, a "Final Prospectus"), such indemnity shall not inure to the benefit of Niowave or any such controlling Person, if a copy of a Final Prospectus furnished by the Company to Niowave for delivery was not furnished to the Person asserting the loss, liability, claim or damage at or prior to the time such furnishing is required by the Securities Act and a Final Prospectus would have cured the defect giving rise to such loss, liability, claim or damage.

6.1.2 Niowave will indemnify the Company, each of its directors and officers, and each Person who controls the Company within the meaning of Section 15 of the Securities Act, against all claims, losses, damages and liabilities (or actions in respect thereof), including any of the foregoing incurred in settlement of any litigation, commenced or threatened (subject to Section 6.1.3 below), arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in the Registration Statement, incident to any such registration, or based on any omission (or alleged omission) to state

therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in light of the circumstances in which they were made, and will reimburse the Company, such directors and officers, and each other Person controlling the Company for reasonable and documented legal and other out-of-pocket expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action as incurred, in each case to the extent, but only to the extent, that such untrue statement or omission is made in reliance upon and in conformity with written information furnished to the Company by Niowave expressly for use in any registration statement, prospectus, amendment or supplement.

6.1.3 Each party entitled to indemnification under this Article 6 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party (at its expense) to assume the defense of any such claim or any litigation resulting therefrom, *provided* that counsel for the Indemnifying Party, who shall conduct the defense of such claim or litigation, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld), and the Indemnified Party may participate in such defense at such Indemnified Party's expense, and *provided further* that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Agreement, unless such failure is materially prejudicial to the Indemnifying Party in defending such claim or litigation. An Indemnifying Party shall not be liable for any settlement of an action or claim effected without its written consent (which consent will not be unreasonably withheld). No Indemnifying Party, in its defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation.

6.1.4 If the indemnification provided for in this Article 6 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage or expense referred to therein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party thereunder, shall, to the extent permitted by applicable law, contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions which resulted in such loss, liability, claim, damage or expense as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

ARTICLE 7

MISCELLANEOUS

7.1Fees and Expenses. Each party shall pay all fees and expenses that it incurs (including on account of any of their respective advisers, counsel, accountants and other experts) in connection with the negotiation, preparation, execution and delivery of this Agreement and its performance under or compliance with the terms of this Agreement.

7.2Entire Agreement. This Agreement, the Collaboration Agreement, including the appendices and schedules attached thereto, and the Purchase Agreement contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

7.3Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing (whether or not specifically stated), shall specifically refer to this Agreement, and shall be addressed to the appropriate party at the address specified below or such other address as may be specified by such party in writing in accordance with this Section 7.3, and shall be deemed to have been given for all purposes (i) when received, if hand-delivered or sent by a reputable international expedited delivery service (with receipt confirmed), (ii) if given by e-mail, upon receipt of confirmation of receipt of an e-mail transmission (including automated confirmation of delivery) and (iii) five (5) Business Days after mailing, if mailed by first class certified or registered mail, postage prepaid, return receipt requested. This Section 7.3 is not intended to govern the day-to-day business communications necessary between the parties in performing their obligations under the terms of this Agreement (for which e-mail or other methods of communications shall suffice).

If to the Company:	Aptevo Therapeutics Inc. Attention: General Counsel 2401 4th Avenue, Suite 1050 Seattle, WA 98121 Email: **[***]**
With a copy to (which shall not constitute notice):	Paul Hastings LLP Attention: Sean Donahue 2050 M Street NW Washington, DC 20036 Email: **[***]**
If to Niowave:	Niowave, Inc. Attention: Mike Zamiara 1012 N Walnut Street Lansing, MI 48906 Email: **[***]**

With a copy to (which shall not constitute notice):	Barnes & Thornburg LLP Attention: Kepten D. Carmichael 11 South Meridian Street Indianapolis, Indiana 46204 Email: **[***]**

7.4Amendments and Waivers. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless reduced to writing and signed by an authorized officer of each party. Any delay in enforcing a party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such party's rights to the future enforcement of its rights under this Agreement, except with respect to an express written and signed waiver relating to a particular matter for a particular period of time.

7.5Termination. This Agreement shall simultaneously and automatically terminate in the event that (a) the Collaboration Agreement terminates in its entirety for any reason, (b) Niowave exercises its right to Opt-Out (as defined in the Collaboration Agreement) under the Collaboration Agreement, (c) the Purchase Agreement is terminated if such termination occurs before the Closing Date, (d) the Company consummates any merger, consolidation or similar transaction unless immediately following the consummation of such transaction the stockholders of the Company immediately prior to the consummation of such transaction continue to hold, as a result of their holding of outstanding Common Stock and other securities entitled to vote for the election of directors of the Company immediately prior to the consummation of such transaction, in aggregate more than 50% of the outstanding Common Stock and other securities entitled to vote for the election of directors of the surviving or resulting entity in such transaction, (e) a person or entity, or group of related persons or entities, acquires substantially all of Aptevo Research and Development's assets or (f) the Company consummates a transaction in which a person or entity, or a group of related persons or entities, acquires the power or authority to elect or appoint a majority of Aptevo Research and Development's Board of Managers. If not earlier terminated, this Agreement shall automatically terminate upon the tenth anniversary of the Closing Date. Notwithstanding anything to the contrary set forth herein, (A) the Company's obligations under Article 5 of this Agreement shall survive until the earlier of (i) an event set forth in (d) above or (ii) such obligations are fully performed and discharged; and (B) if this Agreement has either been terminated by Niowave for any reason or terminated as a result of the Company having terminated the Collaboration Agreement as a result of Niowave's material breach of the Collaboration Agreement, and an event set forth in (d) above has not occurred, Niowave's obligations in Article 2 shall survive until terminated as set forth in Article 2, and Niowave's obligations in Article 3 shall survive until terminated as set forth in Article 3.

7.6Construction; Headings. The terms "includes," "including," "include" and derivative forms of them shall be deemed followed by the phrase "without limitation" (regardless of whether it is actually written (and drawing no implication from the actual inclusion of such phrase in some instances after such terms but not others)) and the term "or" has the inclusive meaning represented by the phrase "and/or" (regardless of whether it is actually written (and drawing no implication from the actual use of the phrase "and/or" in some instances but not in others)). Unless specified to the contrary, references to Articles or Sections shall refer to the

particular Articles or Sections of or to this Agreement. The word "day," "quarter" or "year" (and derivatives thereof, *e.g.*, "quarterly") shall mean a calendar day, calendar quarter or calendar year unless otherwise specified. The word "hereof," "herein," "hereby" and derivative or similar word refers to this Agreement. The words "will" and "shall" shall have the same obligatory meaning. Provisions that require that a party or parties hereunder "agree," "consent" or "approve" or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter or otherwise. Words of any gender include the other gender. Words using the singular or plural number also include the plural or singular number, respectively. References to any specific law or article, section or other division thereof, shall be deemed to include the then-current amendments or any replacement law thereto, and any rules and regulations promulgated thereunder. All dollar-denominated amounts herein are in United States dollars. This Agreement has been prepared jointly and shall not be strictly construed against either party. Ambiguities, if any, in this Agreement shall not be construed against either party, irrespective of which party may be deemed to have authored the ambiguous provision. The headings of each Article and Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Article or Section.

7.7Further Assurances. Each party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

7.8Successors and Assigns. This Agreement may not be assigned by a party hereto without the prior written consent of the other party, *provided*, *however*, that Niowave may assign its rights and delegate its duties hereunder in whole or in part to an Affiliate or to the Niowave Foundation without the prior written consent of the Company, provided such assignee agrees in writing to be bound by the provisions hereof that apply to Niowave. The provisions of this Agreement shall inure to the benefit of and be binding upon the respective permitted successors and assigns of the parties.

7.9Third Party Beneficiaries. This Agreement is not intended to and shall not be construed to give any third party any interest, rights (including any third party beneficiary rights) remedies, obligations, or liabilities with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as expressly provided in this Agreement.

7.10Governing Law. This Agreement shall be governed by and construed under the substantive laws of the State of New York, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

7.11WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

7.12Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of Niowave and the Company will be entitled to seek specific performance under this Agreement. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in this Agreement and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

7.13Attorneys' Fees. In the event that any action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, each party shall bear its own fees, costs and expenses of enforcing any right of such party under or with respect to this Agreement.

7.14Counterparts; Electronic Execution. This Agreement may be executed in one or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file (including any ".pdf" including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., a signature applied with DocuSign), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

7.15Severability. If any one or more of the provisions of this Agreement is held to be invalid or unenforceable by an arbitrator or by any court of competent jurisdiction from which no appeal can be or is taken, the provision shall be considered severed from this Agreement and shall not serve to invalidate any remaining provisions hereof. The parties shall make a good faith effort to replace any invalid or unenforceable provision with a valid and enforceable one such that the objectives contemplated by the parties when entering into this Agreement may be realized.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Investor Rights Agreement to be duly executed by their respective authorized signatories as of May 25, 2026.

Aptevo Therapeutics Inc.

By: ____
Name: Jeffrey Lamothe
Title: President and Chief Executive Officer

Niowave, Inc.

By: ____
Name: Mike Zamiara
Title: Chief Executive Officer

Exhibit 10.5

Andy Hill Cancer Research Endowment Grant Award Agreement

This agreement ("Agreement") is entered into by the Andy Hill Cancer Research Endowment (CARE) Fund, ("Grantor"), a grantmaking entity of the state of Washington, and Aptevo Therapeutics Inc. ("Grantee"), having an administrative office at 2401 4th Avenue Suite 1050, Seattle, WA 98121 and the US Federal Tax Identification Number **[***].** The Grantor has delegated certain responsibilities to Grantor's Program Administrator ("Administrator") as described in this Agreement;

Grantor is authorized by statute of the state of Washington to make grants for the fundamental government purpose of promoting cancer research utilizing the best science and technology with the greatest potential to improve health outcomes, leveraging the state's existing cancer research facilities and talent, creating jobs, and encouraging investments that will advance the biotech, medical device, and health care information technology industries in Washington State;

Grantor intends to sponsor cancer research and development under the direction of Michelle Nelson, ("Principal Investigator"), and provide funds as reimbursement on actual expenditures not to exceed One Million Four Hundred Ninety-Nine Thousand Nine Hundred Fifty-One Dollars and Zero Cents ($1,499,951.00) (the "Grant") to Grantee to conduct such research and development;

Grantee intends to conduct the sponsored research and development in accordance with the grant proposal submitted to Grantor;

Administrator will provide administrative services and support to Grantor through the grant award and post-award processes, including but not limited to:

(a) Disburse Grantor funds in accordance with this Agreement and applicable law;
(b) Monitor Grantee progress through Financial and Progress Reports; and
(c) Carry out other activities as authorized by the Grantor.

NOW, THEREFORE, in consideration of the above and the mutual terms and conditions set forth below, Grantor and Grantee agree as follows:

ARTICLE 1. EFFECTIVE DATE, GRANT PERIOD, ANNUAL PERIOD, AND ADMINISTRATION

This Agreement shall be effective upon execution by all parties or June 22, 2026, whichever is later, ("Effective Date"). The activities set forth in the Proposal and Milestones and Timeline (as defined in Sections 2.1 and 2.2) shall be performed during the period beginning on the Effective Date and ending no later than June 21, 2028 ("Grant Period").

Notwithstanding that an annual period may be less than twelve months if this Agreement is executed after June 22, 2026, each "Annual Period" shall end June 21 of the applicable year. The first Annual Period shall be from the Effective Date to June 21, 2027. The second Annual Period shall be from June 22, 2027, to June 21, 2028.

For purposes of this Agreement, any and all rights or obligations of Grantor as stated herein may be exercised, undertaken, or performed on its behalf by Administrator, if and to the extent determined by Grantor from time to time and communicated in writing to Grantee. When and to the extent so

communicated, Grantee shall be entitled to rely on the representations, statements, and determinations made and/or conveyed by Administrator on Grantor's behalf.

ARTICLE 2. DESCRIPTION OF RESEARCH AND DEVELOPMENT PROJECT

2.1 Proposal. The grant awarded herein provides funding for the cancer research and development project to be conducted as described in the proposal submitted by Grantee to Grantor, which is attached to this Agreement as Attachment A ("Proposal").

2.2 Milestones and Timeline. In performing the project described within the Proposal, Grantee shall use its **[***]** to complete the activities according to the milestones and timeline detailed in Attachment B ("Milestones and Timeline"). Grantee shall notify Grantor promptly, in writing, **[***]** to undertake the activities set forth in either the Proposal or the Milestones and Timeline during the Grant Period. Material changes in the Proposal or the Milestones and Timeline require the advance written approval of Grantor.

2.3 Conduct under the Proposal and the Milestones and Timeline. Grantee shall allocate space, monies, personnel, and other resources as described within the Proposal to complete the activities set forth in the Proposal and the Milestones and Timeline. Grantee's failure to make such allocations shall be deemed to be a termination of the activities set forth in the Proposal and the Milestones and Timeline by Grantee. Termination of the activities set forth in the Proposal or the Milestones and Timeline by Grantee is grounds for termination of this Agreement. In performing the activities set forth in the Proposal and the Milestones and Timeline, Grantee shall maintain complete and accurate records of such activities, follow commonly accepted standards of workmanship, and comply with all relevant federal, state, or local laws and regulations, Washington State executive orders, and Grantor policies and program requirements currently in effect and as may be enacted or amended during the Grant Period. Without limiting the general requirement contained herein, Grantee shall comply with all federal and state laws and regulations, including but not limited to those relating to discrimination by employers or in public accommodations, receipt and disbursement of state and federal funds, tax reporting and withholding requirements, workers' compensation, and wage and hour laws. If Grantee's work under the Proposal is aimed at development and future commercialization of a product, Recipient shall use **[***]** to commercialize the Product, including any technology and intellectual property created by Grantee in performing the activities set forth in the Proposal and the Milestones and Timeline.

2.4 Key Personnel. The activities set forth in the Proposal and the Milestones and Timeline shall be carried out under the direction of the Principal Investigator(s) who shall select and supervise other participants as needed. Key Personnel are those individuals, other than the Principal Investigator(s), who are essential to performing the activities, including commercialization of product including any technology and intellectual property created by Grantee, as may be set forth in the Proposal and the Milestones and Timeline. The Principal Investigator(s) shall be responsible for administering the Grant (as defined in Section 3.1) in accordance with the terms and conditions of this Agreement, supervising the activities set forth in the Proposal and the Milestones and Timeline, submitting progress reports to Grantor in a timely manner, overseeing personnel matters and disbursement of Grant funds, and responding to any inquiries from Grantor related to progress or financial reports or to an audit of expenditures under the Grant. **[***]**

In the event that during the Grant Period the Principal Investigator(s) changes his or her employment status with Grantee, relocates outside of Washington, or otherwise is unable to fulfill the role of Principal Investigator(s), or an individual with the Key Personnel is no longer able to perform his or her responsibilities as described in the Proposal, Grantee shall notify Grantor **[***]** to such event, or **[***]**, and identify in writing an alternate Principal Investigator(s) or Key Personnel member, acceptable to Grantor. At Grantor's discretion, Grantee may be required to provide additional documentation prior to approval. Failure by Grantee to have either an approved Principal Investigator(s) or an approved full complement of Key Personnel are grounds for termination of this Agreement.

In the event that during the Grant Period the Principal Investigator(s) or other individuals performing the activities set forth in the Proposal and the Milestones and Timeline: (a) are debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency, including, but not limited to the U.S. Food and Drug Administration ("FDA"), or under any federal statute or regulation, including, but not limited to the provisions of the Generic Drug Enforcement Act of 1992, 21 U.S.C.; or (b) are otherwise subject to restrictions or sanctions by any other governmental agency or professional body with respect to the performance of scientific or clinical investigations; or (c) have otherwise been disqualified or suspended from performing activities substantially the same as those set forth in the Proposal and the Milestones and Timeline; Grantee shall **[***]** notify Grantor in writing. Debarment, ineligibility, exclusion, or other disqualification or suspension of the Principal Investigator(s) or other individuals set to perform the activities set forth in the Proposal and the Milestones and Timeline from actually performing such activities are grounds for termination of this Agreement.

2.5 Control of Proposal and Milestones and Timeline. Control of the activities set forth in the Proposal and the Milestones and Timeline shall rest with Grantee.

2.6 Subcontractors, Collaborators, and Service Providers. For the purposes of this Agreement:

(a) the term "Subcontractor" is defined as an individual or organization that will conduct a portion of the activities set forth in the Proposal or the Milestones and Timeline **[***]**.

(b) the term "Collaborator" is defined as an individual or organization that is key to the design, conduct, and reporting of the activities set forth in the Proposal or the Milestones and Timeline **[***]**.

(c) the term "Service Provider" is defined as an individual or organization, including but not limited to, contract research organizations ("CROs"), that will conduct a portion of the activities set forth in the Proposal or the Milestones and Timeline **[***]**.

Subject to the terms of this Agreement, Grantee may engage third party Subcontractors, Collaborators, and Service Providers in performing the activities set forth in the Proposal or the Milestones and Timeline. Grantee shall be responsible for the performance of all such Subcontractors, Collaborators, and Service Providers and for ensuring that their work is consistent with the terms and conditions of this Agreement. Grantee certifies that it shall enter into written agreement(s) with all such Subcontractors, Collaborators, and Service Providers as specified in the Proposal and the Milestones and Timeline.
Among other provisions, such agreement(s) shall allow for the allocation of the rights that Grantee and Subcontractors, Collaborators, and Service Providers shall have in any intellectual property developed in

performing the activities set forth in the Proposal or the Milestones and Timeline and shall identify which of the parties shall be responsible for commercialization of such intellectual property. No privity of contract exists between Grantor and Subcontractors, Collaborators, and Service Providers.

2.7 Title to Equipment and Computers. Title to equipment and computers purchased under the Grant shall be vested in Grantee, on condition that such equipment and computers are used for performance of the activities set forth in the Proposal and the Milestones and Timeline. Failure to keep equipment and computers available for such activities during the Grant Period is grounds for termination of this Agreement. In the event of early termination of this Agreement, upon Grantor's request, **[***]**. Grantee certifies that it has policies in place regarding the disposition of equipment in accordance with applicable law.

For equipment (including replacement equipment) acquired in whole or in part with Grantor funds, Grantee must have procedures and control systems in place to:

(a) Keep adequate equipment records, including but not limited to the following information: property description; identification; funding source (grant number); title holder; acquisition date and cost; location, use, and condition; unit acquisition cost; sharing and disposition plan.
(b) Conduct a physical inventory of the property no less often than every 2 years, with a reconciliation of the inventory results with the equipment records.
(c) Ensure adequate safeguards for preventing loss, damage, or theft of property.

When original or replacement equipment acquired with Grantor funds is no longer needed for the original project or program or for other activities currently or previously assisted with Grantor funds, the following rules of disposition will apply to Grantee:

(d) Equipment with a current per-unit fair market value of less than $5,000 may be retained, sold, or otherwise disposed of by Grantee after notice to Grantor, subject to the conditions in 2.7(f) below.
(e) Equipment with a current per-unit fair market value of $5,000 or more may after notice to Grantor be retained or sold by Grantee with Grantor having the right to compensation in an amount equal to multiplying the current fair market value or the proceeds from sale by the share (percentage) in the original acquisition price of the equipment.
(f) Grantor may reserve the right to transfer title of the equipment to the state.

ARTICLE 3. FUNDING AND PAYMENT

3.1 Funding. Grantor shall make payments of Grant funds to Grantee in an amount not to exceed the Grant to complete the activities set forth in the Proposal and according to the Milestones and Timeline. Payment shall be made on a reimbursement basis only for activities completed during the Grant Period. Grantee shall allocate the Grant according to the Proposal and the budget ("Budget") shown in Attachment C. Disbursement of funds under Section 3.6 shall be subject to Grantee's compliance with all terms and conditions set forth in this Agreement and any applicable non-state match funding requirements as committed in Attachment D: Certification of Non-State Matching Contributions, or other acceptable non-state matching contribution approved by Grantor.

Grant payments are contingent on Grantee's ability to demonstrate use of a minimum one-to-one (1:1) matching non-state or private contributions. For purposes of award of state funds, proof of non-state or private matching contributions may be demonstrated by:

(a) Evidence of deposit into the Grantor account; or
(b) A written, binding, enforceable agreement from the contributor that commits an equal or greater amount of non-state or private contributions to the Grantor, and that acknowledges that the Grantor Grant Award is contingent upon this contribution (Certification of Non-
State Matching Contributions (Attachment D)); or
(c) Evidence of encumbered funds that are not yet expended and that are dedicated to the Proposal, or closely related work that supports, extends, or facilitates the Proposal, that is subject to this Agreement.

Grantee shall promptly notify Grantor in writing of any change or expected change of the non-state match amount, source, or any other material change that may affect the Grantee's ability to meet the non-state match commitment in Attachment D or complete the activities set forth in the Proposal and according to the Milestones and Timeline.

The terms and conditions of the Agreement and the CARE Fund statute, Chapter 43.348 Revised Code of Washington (RCW), shall be the final guides in determining allowable matching contributions.
Determinations of allowable matching contributions shall be made at **[***]** of the CARE Board.

The obligation of Grantor to disburse funds to Grantee under this Article 3 is contingent upon Grantor having sufficient funds, expenditure authorization, and authority under state or federal laws, regulations, or guidelines to do so, as determined by Grantor.

3.2 Pre-Award Costs. Grantor shall not provide Grant funds to Grantee for expenditures made prior to the Effective Date.

3.3 Allowable Costs. Costs allowable under the Grant are based on Grantor Policies and Protocols and the Budget. In addition, costs allowable under the Grant shall be consistent with Grantee's policies. Allowable costs shall include costs incurred by Grantee from the Effective Date, until completion of the activities set forth in the Proposal and the Milestones and Timeline, expiration of the Grant Period, or notice of termination of this Agreement, whichever is earliest. In no event shall allowable costs exceed the Grant.

The following direct costs are generally allowable: personnel, including wages, benefits, stipends; computers and equipment (with Grantor pre-approval, and where the unit cost of what constitutes an item of equipment is subject to Grantee's policies); supplies; travel; subcontracts; and other costs as itemized by Grantee and approved by Grantor. Facilities and administration costs are allowable at the Grantee's federally negotiated indirect cost rate, or as otherwise approved by Grantor. Facilities and administration costs are allowable at the pro rata basis attributable to performing the activities set forth in the Proposal and the Milestones and Timeline.

Expenditures for the following are not allowable: costs not within the Budget, facilities construction and remodeling costs, acquisition of real property, meals not associated with approved travel or exceeding the state per diem guidelines, alcoholic beverages, costs associated with community service, teaching, clinical or patient care beyond those required for performing the activities set forth in the Proposal and the Milestones and Timeline, costs of purchasing, leasing, or maintaining computers not essential for performing the activities set forth in the Proposal and the Milestones and Timeline.

Grantee shall make commercially reasonable efforts to purchase goods and services from Washington State suppliers to the extent reasonably possible, where such goods and services are available, are comparable in quality and utility of the non-Washington State supplier, and comply with any relevant Washington State procurement policies.

The terms and conditions of the Agreement and the CARE Fund statute, Chapter 43.348 Revised Code of Washington (RCW), shall be the final guides in determining allowability. Determinations of allowable cost shall be made at the sole discretion of the CARE Board.

3.4 Unallocated Costs. In the event that the Budget includes funds for activities for which specific costs or nature cannot be accurately determined as of the Effective Date, Grantee shall not encumber such funds for expenditure without the advance written approval of Grantor. In seeking Grantor's approval, Grantee shall provide a detailed written description of how such funds are to be spent and the time period during which the expenditures are to be made.

3.5 Budget Modifications. Grantee shall seek the advance written approval of Grantor for Grant expenditures that are not within the Budget or any changes to the Budget that directly impact the Proposal and the Milestones and Timeline. Such approval shall be requested in writing by Grantee's Authorized Official or Principal Investigator(s) (as identified in Article 19), or their designee.

Additionally, significant rebudgeting, whether or not the particular expenditure(s) require prior approval, requires advance written approval from Grantor. Significant rebudgeting occurs when expenditures in a single direct cost budget category deviate (increase or decrease) from the categorical commitment level established for the annual budget period by more than 25 percent of the total project funding (from all sources) for the annual period as provided in Attachment C: Budget. For example, if the total project budget for a single budget period is $200,000, any rebudgeting that would result in an increase or decrease of more than $50,000 in a budget category is considered significant rebudgeting.
The base used for determining significant rebudgeting excludes the effects of prior-year carryover balances.

3.6 Payments. Grantor shall disburse the Grant to Grantee to perform the activities set forth in the Proposal according to the Milestones and Timeline and upon meaningful progress toward completion and completion of milestones as set forth in Milestones and Timeline. Payments will be disbursed on a reimbursement basis for costs that will not be paid by any other source for the performance of Proposal activities according to the Budget subject to: Grantee's timely progress in achieving the goals set forth in the Milestones and Timeline, as determined by Grantor; use of non-state match contributions as committed in Attachment D, or an equivalent amount from other eligible non-state sources, as determined by Grantor, but at a minimum rate of 1:1; and to Grantee's timely provision of satisfactory progress reports to Grantor as described in Article 4, and annual financial reports as described in Section 3.7.

Grantees must demonstrate use of non-state match contributions as committed in Attachment D, or other acceptable non-state matching contribution approved by Grantor, and at least a 1:1 use of non-state match contributions to the previously disbursed grant award payments before invoicing any balance of the Grant.

Use of non-state match contributions may be demonstrated by submitting a financial summary report by budget category, certified by an authorized official that the expended funds were used to support the

activities of the Principal Investigator(s) as outlined in the Proposal, or closely related work that supports, extends, or facilitates the Proposal, and were from non-state sources.

At the Grantor's discretion, more detailed information regarding Grant expenditures may be requested, including but not limited to invoices, receipts, canceled checks, or bank statements.

Commencing on the Effective Date, for each Annual Period, invoices shall be submitted after each Annual Period by electronic transmission as specified in Article 19. Invoices, annual progress reports, and annual financial reports shall be submitted **[***]** from the end of the Annual Period, or as otherwise agreed by Grantor and Grantee. Grantor, at its sole discretion, may deny payment of invoices submitted **[***]** after the Annual Period, or as otherwise agreed by Grantor and Grantee. Invoices shall be submitted by Grantee using Grantor's standard invoice form, or Grantee's standard invoice form if approved by Grantor in advance, and shall be accompanied by a document outlining milestone(s) met during the Annual Period; shall provide detailed expenditure documentation according to the categories within the Budget; shall demonstrate the use of non-state match contributions, at a minimum rate of 1:1 the invoiced amounts; and shall be signed by Grantee's Authorized Official or designee certifying that all expenditures are directly related to the performance of the activities set forth in the Proposal, the Milestones and Timeline, and the Budget. Grantor, at its sole discretion, may accept invoices and supporting documentation and make grant payments more frequently than annually. Grantor reserves the right to withhold payment for invoices, which in Grantor's sole discretion, are insufficiently documented.

Grantor shall provide payments to Grantee for all allowable costs until completion of the activities set forth in the Proposal and the Milestones and Timeline, expiration of the Grant Period, or notice of termination of this Agreement, whichever is earliest, insofar as such allowable costs do not exceed the Grant. Unexpended funds may not be carried into the next Annual Period unless approved by Grantor (Section 3.9). If for any reason, Grantee fails to demonstrate the use of non-state match contributions greater than or equal to the Grant, Grantee must repay the portion of the grant payments in excess of the demonstrated non-state match contribution use.

All payments under this Agreement shall be sent to Grantee via electronic funds transfer. CARE Fund grant payments will only be made to U.S.-domiciled banks. No payments of grant funds shall be made to financial institutions or offices thereof, that are outside the United States. Grantee shall not
request deposit or electronic transfer of payment from Grantor to any foreign banking office, including but not limited to (a) any non-U.S. office of a financial institution or (b) any non-U.S. office of a foreign bank as described in 12 U.S.C. 3101(7). Grantee shall complete and send a Grantee Banking Information Form and signed IRS Form W-9 to Grantor before any payments will be made. Grantee shall provide Grantor an updated Grantee Banking Information Form and W-9 as necessary to ensure that information is current and accurate.

Full payment of the Grant prior to the end of the Grant Period shall not be considered fulfillment of the terms of this Agreement or end of the Grant Period. All remaining terms and obligations under this Agreement shall remain in full force and effect until the end of the Grant Period or any applicable survival period specified in the Agreement.

In the event any amount of the Grant is refunded to Grantor, Grantee shall notify Grantor in writing of the amount to be refunded, expected date of the refund payment, and reason for the refund.

3.7 Annual Financial Reports. Grantee shall summarize expenditures related to the Budget, including expenditures of the Grant, applicable non-state matching contributions, and additional leveraged funds, during the Annual Period in an Annual Financial Report ("AFR") submitted to Grantor. The first AFR shall be due **[***]** after the end of the first Annual Period, or as otherwise agreed by Grantor and Grantee; subsequent reports shall be due **[***]** after the end of each Annual Period thereafter, or as otherwise agreed by Grantor and Grantee. Grantee shall submit a final financial report to Grantor **[***]** after expiration of the Grant Period or termination of this Agreement, whichever is earliest, or as otherwise agreed by Grantor and Grantee. AFRs shall include all expenditures made since the end of the previous annual reporting period. AFRs shall include a document signed by Grantee's Authorized Official, or designee, certifying that all expenditures are directly related to performance of the activities set forth in the Proposal, the Milestones and Timeline, and the Budget. At Grantor's sole discretion, a Grantee or Principal Investigator(s) may be considered ineligible to apply for future Grantor funds until all reporting requirements from active or previous Grantor grant awards have been met.

3.8 Method of Provision and Content. Financial reports shall be submitted electronically through Grantor's online system or other method as determined by Grantor. Grantor reserves the right to periodically change the format and required content of financial reports. Grantor shall provide the format and required content of financial reports at the end of each Annual Period.

3.9 Unexpended Funds Within an Annual Budget. Expenditure of any funds remaining at the end of an annual period within the Budget shall require prior written approval of Grantor. Grantee may request that such unexpended funds be carried forward and re-allocated into a subsequent annual period. Such requests shall be submitted in writing **[***]** after the end of the subject annual period, or as otherwise agreed by Grantor and Grantee, and shall include a statement of the balance of funds remaining at the end of such period, justification for the proposed re-allocation, and a revised Budget. If the proposed re-allocation involves a substantive change in the activities set forth in the Milestones and Timeline, Grantee shall submit a revised Milestones and Timeline with the request. Grantor, at its sole discretion, may approve the carry forward and reallocation in whole or in part. The final amount of the unexpended funds shall be determined by Grantor upon Grantee's timely submission of invoices and the applicable AFR. In the event that Grantor does not approve Grantee's request to re-allocate unexpended funds remaining at the end of an annual period within the Budget, expenditure authority for such funds shall revert to Grantor.

3.10 No-Cost Extensions. In the event that unexpended funds remain at the end of the Grant Period, and there are remaining activities or milestones to be accomplished within the Proposal and the Milestones and Timeline, Grantee may request an extension of the Grant Period to allow Grantee to accomplish such activities or milestones. Such requests shall be submitted in writing by Grantee's Authorized Official or Principal Investigator(s), or their designee, **[***]** prior to the end of the Grant Period, or as otherwise agreed by Grantor and Grantee, and shall include a justification for extension, an estimate of the unexpended funds remaining at the end of the Grant Period, and a revised Budget and Milestones and Timeline. The decision to approve an extension is subject to **[***]** of Grantor, with such extension granted in a single annual increment. In the event that Grantor does not approve Grantee's request to re-allocate unexpended funds remaining at the end of the Grant Period, expenditure authority for such funds shall revert to Grantor. Grantee shall return all unexpended and unobligated Grant funds to Grantor within **[***]** of the end of the Grant Period, or as otherwise agreed by Grantor and Grantee.

3.11Budget Surpluses. Should any unexpended funds remain within the Budget after Grantee has completed the activities set forth in the Proposal and the Milestones and Timeline ("Budget Surplus"), as **[***]** determined by Grantor, Grantee may request that such Budget Surplus be allocated to support new activities. Such new activities shall be consistent with the nature and goals of the Proposal and the Milestones and Timeline, and authority to spend a Budget Surplus on such activities shall require advance written approval of Grantor. Budget Surplus allocation requests shall be submitted in writing by Grantee's Authorized Official or Principal Investigator(s), or their designee, **[***]** of completing the activities set forth in the Proposal and the Milestones and Timeline or **[***]** prior to the end of the Grant Period, whichever is earliest, or as otherwise agreed by Grantor and Grantee, and shall include **[***]**. The final amount of such Budget Surplus, and any extension of the Grant Period, shall be determined by Grantor upon Grantee's timely submission of the relevant AFR and a revised Proposal and Milestones and Timeline. Grantor reserves the right to refer Budget Surplus allocation requests for outside expert review, the cost of which shall be deducted from the Budget Surplus. In the event that Grantor does not approve Grantee's request to spend a Budget Surplus, expenditure authority for such funds shall revert to Grantor. Grantee shall return all unexpended and unobligated Grant funds to Grantor within **[***]** of notification of the decision, or as otherwise agreed by Grantor and Grantee.

3.12Supplemental Funding. During the course of the Grant Period and under certain circumstances as described below, Grantee may request funding in excess of the Grant ("Budget Supplement"). Grantee may request a Budget Supplement:

(a) When a disruptive event, that could not be foreseen or predicted at the Effective Date threatens completion of the activities set forth in the Milestones and Timeline within the Budget; or
(b) When findings, that were not anticipated within the Proposal, result from performance of the activities set forth in the Milestones and Timeline and promise significant health or economic benefits to Washington State.

Requests for a Budget Supplement shall be submitted in writing by Grantee's Authorized Official or Principal Investigator(s), or their designee, within **[***]** of the occurrence of the precipitating event. Provision of a Budget Supplement is subject to **[***]** of Grantor and the availability of funds. Grantor reserves the right to refer Budget Supplement requests for outside expert review, the cost of which shall be deducted from the Budget Supplement.

3.13Final Request for Payment. Grantee shall submit a final request for grant payment **[***]** after completion of the activities set forth in the Proposal and the Milestones and Timeline, expiration of the Grant Period, or termination of this Agreement, whichever is earliest, or as otherwise agreed by Grantor and Grantee. Failure to comply with this Section 3.13 may result in Grantor's refusal or inability to provide grant payment. Grantor shall not make the final payment until the proper invoice, marked "Final," including **[***]**, has been approved by Grantor and **[***]** has been received and approved by Grantor.

ARTICLE 4. PROGRESS REPORTS

4.1 Format and Schedule. Grantee shall provide to Grantor regular progress reports describing Grantee's progress on the activities set forth in the Proposal and the Milestones and Timeline. Grantee shall submit Annual Progress Reports (APR) to Grantor annually with the AFR (Section 3.7). The first APR shall be due **[***]** after the end of the first Annual Period, or as otherwise agreed by Grantor and Grantee; subsequent reports shall be due **[***]** after the end of each Annual Period thereafter, or as otherwise agreed by Grantor and Grantee. All reports shall be provided by the Principal Investigator(s) and shall detail the activities of Grantee and Grantee's Subcontractors, Collaborators, and Service Providers during the period covered by the report. Grantee shall submit a final written progress report to Grantor **[***]** after expiration of the Grant Period or termination of this Agreement, whichever is earliest, or as otherwise agreed by Grantor and Grantee. At Grantor's **[***]**, a Grantee or Principal Investigator(s) may be considered ineligible to apply for future Grantor funds until all reporting requirements from active or previous Grantor grant awards have been met.

4.2 Method of Provision and Content. Written progress reports shall be submitted electronically through Grantor's online system or other method as determined by Grantor. Grantor reserves the right to periodically change the format and required content of written progress reports. Grantor shall provide the format and required content of financial reports at the end of each Annual Period.

All progress reports shall be of sufficient detail to allow Grantor to assess progress made on completing the activities set forth in the Proposal and the Milestones and Timeline, and how such activities contribute to Grantor's mission. The annual progress reports should illustrate the leveraging effect achieved by the Grant, to include, but not limited to, **[***]**. In the event that Grantor determines that a progress report lacks sufficient detail, Grantee shall provide Grantor with additional detail in a timely manner as may be requested by Grantor. Grantee shall also disclose in writing to Grantor any problems, delays or adverse conditions which may materially affect its ability to complete the activities set forth in the Proposal and the Milestones and Timeline. Such disclosure shall be accompanied by a statement of the action taken or proposed and any assistance needed from Grantor to resolve the situation.

Information in the progress reports is received by the Grantor with the understanding that it shall be used or disclosed for the primary purpose of monitoring the Grantee's progress related to the Proposal and the Milestones and Timeline or as required by law. Administrator or Grantor may also use information in Grantee's progress reports to communicate to the public the impact of Grantor grant awards. Administrator and Grantor shall hold all progress reports confidential, subject to the public disclosure laws of the state of Washington (including but not limited to RCW 42.56 and associated case law). If a records request is made to the Administrator or Grantor, the Grantee may be notified and allowed an opportunity to seek a protective order. The CARE Fund will determine, in its **[***]**, whether to assert RCW 42.56.270(29) or any other available public records exemption. Due to public disclosure requirements, it is advisable that Grantees refrain from sharing any information with the Grantor and Administrator, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information.

Upon the reasonable prior written request of Grantor and prior to expiration of the Grant Period, Grantee shall provide additional oral or written progress reports or arrange site visits or in-person briefings at a mutually agreed upon time and place to enable Grantor to assess the impact of the grant award.

4.3 Post-Grant Period Progress Reports. Commencing on the **[***]** of submission of the final

written progress report and through **[***]** of submission of such final report, Grantee shall be asked to provide Grantor with periodic post-Grant Period written progress reports similar in scope to those produced during the Grant Period, to include but not limited to, **[***]**. This term shall survive termination of the Agreement.

Every **[***]**, for up to **[***]**, after submission of the final written progress report, Grantee shall be requested to submit a written report accounting for the capitalized equipment purchased in whole or in part with the Grant and the use and impact of the shared resource developed with the Grant.

ARTICLE 5. ACCOUNTING AND AUDITING

5.1 Accounting. Grantee agrees to maintain books and records documenting the expenditure of the Grant in accordance with generally accepted accounting principles and shall make such books and records available to Grantor and its representatives for review, upon reasonable request, for a period of **[***]** following the final Post-Grant Period Progress Report referenced in Section 4.3. If there are unresolved audit questions at the end of such retention period, Grantee shall further retain such records until the questions are resolved.

5.2 Audits. Grantor reserves the right at reasonable times and during normal business hours to audit Grantee's financial records related to the Grant and applicable non-state match contributions, or have such records audited, during the Grant Period or for **[***]** after the final Post-Grant Period Progress Report referenced in Section 4.3. Grantor shall bear the expenses for such audit unless the audit reveals that funds were spent for purposes unrelated to the activities in the Proposal and the Milestones and Timeline, as set forth in the Budget, in which case Grantee shall reimburse Grantor for such audit costs. If as a result of an audit Grantor reasonably concludes that funds were spent for purposes unrelated to the Proposal and the Milestones and Timeline, as set forth in the Budget, Grantor shall be entitled to a refund of such funds, plus interest at the statutory rate on the amount refunded. Grantee shall pay such funds, including any applicable interest, to Grantor within **[***]** of Grantor's written demand.

ARTICLE 6. INTELLECTUAL PROPERTY

6.1 Policies and Management. The Grant supports research and development to enhance competitiveness, improve health and health care, and foster economic development in Washington State. Grantor and Grantee recognize that discoveries and developments having public health, scientific, business, or commercial application or value may be made in the course of performing the activities set forth in the Proposal and the Milestones and Timeline. Grantor and Grantee desire that such discoveries and developments be administered in such a manner that they are brought into public use at the earliest practical time in a manner consistent with **[***]**, where **[***]**. Grantee certifies that it has written policies in place regarding ownership and management of intellectual property and its protection, consistent with the goals stated in this section 6.1. The Grantor reserves the right to request a copy of the policy regarding ownership and management of intellectual property and its protection.

6.2 Invention Reporting. “Invention” is any discovery, material, method, process, product, program, software or use, whether or not patented or patentable or copyrighted or copyrightable, that is conceived or made in the course of performing the activities set forth in the Proposal and the Milestones and Timeline. Grantee’s office of technology transfer, or equivalent entity, shall report each Invention to Grantor in a timely manner, using Grantor’s online system or other method as determined by Grantor, after such Invention has been disclosed in writing to Grantee. Administrator or Grantor may also use information in Grantee’s progress reports to communicate to the public the impact of Grantor grant awards. Administrator and Grantor shall hold all Invention Reports confidential, subject to the public disclosure laws of the state of Washington (RCW 42.56.270(29)). If a records request is made to the Administrator or Grantor, the Administrator or Grantor may notify the Grantee of any public records request regarding their invention and Grantee may be given an opportunity to provide further information specifying why the information should be exempt from disclosure and allowed an opportunity to assert objections to disclosure and seek a protective order. Grantor will determine in its sole discretion, whether to assert RCW 42.56.270(29) or any other available public records exemption.

Due to public disclosure requirements, it is advisable that Grantees refrain from sharing any information with the Grantor and Administrator, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information.

Invention reports shall commence with Grantee’s first Annual Progress Report, and subsequent reports shall be provided upon Grantor’s request. Invention reports shall be provided until a date **[***]** after the final Annual Progress Report. This term shall survive termination of the Agreement.

6.3 Ownership and Disposition. Grantor claims no ownership rights in any Inventions; however, the Grantor must be listed as a funder on all patent and copyright applications. Grantee agrees to use its **[***]** to make Inventions available to the public **[***]**. If Grantor believes that Inventions are not being made available to the public **[***]**, Grantee shall work with Grantor in good faith to ensure that Inventions become publicly available **[***]**.

If Grantee decides not to take title and file an application for intellectual property protection, Grantor shall have the option to take title. The Grantee must notify Grantor prior to any publication of the invention so as to allow Grantor sufficient opportunity to take title and pursue or maintain intellectual property protection.

Grantor claims no ownership rights in any technology or intellectual property conceived, reduced to practice, or otherwise made in the course of performing the activities set forth in the Milestones and Timeline. Grantee agrees to use **[***]** to commercialize such technology or intellectual property.

6.4 Diligence. In licensing or otherwise transferring an Invention to a third party, Grantee shall include provisions in the license or transfer document obligating such third party to commercialize, or otherwise make available for public use, the Invention in a diligent manner and include appropriate diligence requirements and milestones, and shall enforce the compliance of such third party with such diligence requirements and milestones. The terms and conditions of this Article 6 shall apply to any third party to whom Grantee has assigned ownership rights to an Invention. All agreements between Grantee and such third-party assignees shall include a provision specifically requiring that such assignees meet the

obligations imposed upon Grantee in this Article 6.

6.5 Jointly Funded Inventions. If any Invention is made with the joint support of Grantor and another funding organization and such other organization has an intellectual property policy that conflicts with Grantee's obligations under this Agreement, Grantor and Grantee shall negotiate in good faith a mutually satisfactory resolution of the conflict.

6.6 Subcontracts. The terms and conditions of this Article 6 shall apply to Grantee's Subcontractors, Collaborators, and Service Providers under this Agreement, including but not limited to, reporting of Inventions made by such Subcontractors, Collaborators, and Service Providers to Grantor. All agreements between Grantee and its Subcontractors, Collaborators, and Service Providers shall include a provision specifically requiring that such Subcontractors, Collaborators, and Service Providers meet the obligations imposed upon Grantee in this Article 6.

ARTICLE 7. CONFLICT OF INTEREST

Grantee certifies that it has a conflict of interest policy, including but not necessarily limited to any financial conflict of interest policy, as required by the U.S. Department of Health and Human Services (DHHS)/Public Health Services (PHS), in place applicable to performing the activities set forth in the Proposal and the Milestones and Timeline, and that it has taken **[***]** to inform the Principal Investigator(s) and all personnel performing such activities of the policy and requirements for complying with its terms. In accepting the Grant, Grantee certifies that it has advised the Principal Investigator(s) and Grantee's personnel performing the activities set forth in the Proposal and the Milestones and Timeline that they are required to disclose, in accordance with the foregoing policy, any potential financial conflicts of interest associated with their participation in such activities to Grantee and that it has received such disclosures or received an affirmative statement that there are no conflicts to disclose. Grantee further certifies that it has eliminated or mitigated all disclosed financial conflicts consistent with the terms of its policy. Grantee shall take **[***]** to ensure that its Subcontractors performing activities set forth in the Proposal and the Milestones and Timeline are aware of and have agreed to comply with the provisions in this Article 7.

At execution of this Agreement, Grantee shall provide to Grantor the completed and executed Conflict of Interest Report Form found in Attachment E regarding any potential financial conflicts of interest associated with personnel performing the activities set forth in the Proposal and the Milestones and Timeline, and further attesting to (1) Grantee's receipt of disclosures from such personnel that, at a minimum, confirm understandings of Grantor as stated in Attachment E, and (2) elimination or mitigation of all disclosed potential conflicts of interest.

In the event that new financial conflicts of interest are disclosed during the course of performing activities set forth in the Proposal and the Milestones and Timeline, Grantee shall report such disclosures in writing to Grantor in a timely manner using the procedure specified within this Article 7.

Upon the request of Grantor, Grantee shall provide, in writing, information about any financial conflicts of interest that have been disclosed subject to this Article 7, or that have been identified by Grantor in Attachment E, and about how such disclosed or identified conflicts have been eliminated or mitigated.

ARTICLE 8. PRESENTATIONS, PUBLICATIONS, AND PUBLICITY BY GRANTEE

The parties recognize that the results from performance of the activities set forth in the Proposal and the Milestones and Timeline may be publishable and agree that the persons performing such activities shall be permitted, and are expected, to present the methods and results at symposia and professional meetings and to publish in journals, theses or dissertations, or otherwise, in a manner of their own choosing. Following any such publication, copies shall be submitted by Grantee to Grantor upon request.

Furthermore, the Grantee shall ensure that the Grantor-funded research and development is properly acknowledged in any presentation, journal article, public statements, press release, research report, or other material produced by, or on behalf of, the Grantee that relates to the activities set forth in the Proposal and the Milestones and Timeline. Acknowledgement of support shall use Grantor's name and logos consistent with its guidelines and include the following information:

(a) Grantor Name: Andy Hill Cancer Research Endowment (CARE) Fund
(b) Grantor's funding of the research and development under this Agreement
(c) Funding Opportunity Name
(d) Grant Award Agreement Number

In any such acknowledgement, the relationship between the Grantor and Grantee shall be accurately and appropriately described.

The Grantor requests an opportunity to review publicity materials **[***]** prior to publication. Publicity of Grantor investment and Grantor supported impact is highly encouraged.

ARTICLE 9. REPRESENTATIONS OF GRANTEE AUTHORITY AND STATUS

In accepting the Grant, Grantee makes the following representations and certifies:

(a) Grantee is an organization with principal research and development operations to be performed under this Agreement in Washington State and will notify Grantor promptly of any change or expected change in its legal status as an organization, a substantial change in location of principal research operations, or substantial change in its governing structure;

(b) Grantee has authority to enter into this Agreement and to incur and perform the obligations herein and the signatories to this Agreement are authorized to execute this Agreement on behalf of Grantee;

(c) The Principal Investigator(s), or other individuals performing the activities set forth in the Proposal and the Milestones and Timeline are not currently debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency, including, but not limited to the U.S. Food and Drug Administration ("FDA"), or under any federal statute or regulation, including, but not limited to the provisions of the Generic Drug Enforcement Act of 1992, 21 U.S.C.; and are not otherwise currently subject to restrictions or sanctions by any other governmental agency or professional body with respect to the performance of scientific or clinical investigations; and are not currently otherwise disqualified or suspended from performing activities substantially the same as those set forth in the Proposal and the Milestones and Timeline;

(d) To the best of Grantee's knowledge, the information and statements in Attachments A–E are true, complete, and accurate, and that false fraudulent statements or claims may result

in criminal, civil, or administrative penalties; and

(e) To the best of its knowledge, Grantee is not aware that the execution, delivery, and performance of this Agreement by Grantee conflicts with any agreement, instrument or understanding, oral or written, to which it is a party or by which it is bound, or violates any law or regulation of any court, governmental body or administrative or other agency having jurisdiction over it.

ARTICLE 10. USE OF HUMAN SUBJECTS AND VERTEBRATE ANIMALS

10.1Human Subjects. In the event that activities set forth in the Proposal and the Milestones and Timeline involve the use of human subjects, Grantee shall ensure that all performance sites operate under an appropriate Office of Human Research Protections (OHRP)-approved assurance, or an assurance from an applicable accreditation organization, acceptable to Grantor, for the protection of human subjects and comply with all Department of Health and Human Services human subjects-related policies and any other applicable laws or regulations. In accepting a Grant involving human subjects use in activities set forth in the Proposal and the Milestones and Timeline, Grantee certifies that, prior to their commencement, such activities shall be reviewed and approved by the applicable oversight body as compliant with federal, state, and local government regulations to protect the rights, well-being, and personal privacy of human subjects in research. Upon request by Grantor, Grantee shall provide documentation of review and approval by the applicable oversight bodies of all human subjects activities set forth in the Proposal and the Milestones and Timeline.

10.2Vertebrate Animals. In the event that activities set forth in the Proposal and the Milestones and Timeline involve the use of vertebrate animals, Grantee shall ensure that all performance sites hold Office of Laboratory Animal Welfare (OLAW)-approved assurances, or an assurance from an applicable accreditation organization, acceptable to Grantor. In accepting a Grant involving vertebrate animal use in activities set forth in the Proposal and the Milestones and Timeline, Grantee certifies that, prior to their commencement, such activities shall be reviewed and approved by the applicable oversight body as compliant with federal, state, and local government regulations to humanely, efficiently, effectively, and legally use live vertebrate animals in research. Upon request by Grantor, Grantee shall provide documentation of review and approval by the applicable oversight bodies of all vertebrate animal activities set forth in the Proposal and the Milestones and Timeline.

ARTICLE 11. TERMINATION

11.1Termination by Grantor. Grantor shall have the right to terminate this Agreement upon the occurrence of any one or more of the following events, with Sections 11.1(c) – (p), each referred to herein as a “Grantee Termination Event”.

(a) failure of Grantor to receive sufficient funds or expenditure authorization to meet its payment obligations under this Agreement; or
(b) Grantor’s lack of authority to provide funding for the activities set forth in the Proposal and the Milestones and Timeline due to modification, change, or interpretation of state or federal laws, regulations, or guidelines; or
(c) Grantee’s termination of the activities set forth in the Proposal and the Milestones and Timeline; or
(d) failure of Grantee to meet the goals set out within the Proposal and the Milestones and

Timeline in a timely manner; or

(e) failure of Grantee to render invoices, progress reports, invention reports, or financial reports to Grantor as required by this Agreement; or

(f) Principal Investigator(s), or other participants performing the activities set forth in the Proposal and the Milestones and Timeline (a) have been debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency, including, but not limited to the U.S. Food and Drug Administration ("FDA"), or under any federal statute or regulation, including, but not limited to the provisions of the Generic Drug Enforcement Act of 1992, 21 U.S.C.; or (b) have otherwise been subject to restrictions or sanctions by any other governmental agency or professional body with respect to the performance of scientific or clinical investigations; or (c) have otherwise been disqualified or suspended from performing activities substantially the same as those set forth in the Proposal or the Milestones and Timeline; or

(g) in the case of the replacement of the Principal Investigator(s) or a member of the Key Personnel, failure of Grantee to identify an alternate, acceptable to Grantor; or

(h) in the case where the Grantee's principal activities move outside the state of Washington; or

(i) the insolvency of Grantee; or

(j) any assignment by Grantee of substantially all of its assets for the benefit of creditors; or

(k) the institution of any proceeding by Grantee or a third party under any reorganization, bankruptcy, insolvency, or moratorium law; or

(l) placement of Grantee's assets in the hands of a trustee or a receiver unless the receivership or trust is dissolved **[***]** thereafter; or

(m) a change in Grantee's status as an organization exempt from Federal income tax; or

(n) failure of Grantee to comply with federal or state law applicable to the activities set forth in the Proposal or the Milestones and Timeline; or

(o) failure of Grantee to make equipment purchased or leased with funds disbursed pursuant to this Agreement available for the activities set forth in the Proposal or the Milestones and Timeline; or

(p) Grantee's breach of any other material term or condition of this Agreement.

11.2Exercise. If one or more Grantee Termination Events occurs, Grantor will provide written notice to Grantee or Grantee's trustees, receivers, or assigns; date Grantor sends such notice shall be the "Notice Date". Grantee shall have **[***]** cure period after the Notice Date, or as otherwise agreed by Grantor and Grantee, to cure Grantee Termination Event(s). Grantor may terminate this Agreement **[***]** after the Notice Date (the "Termination Date") unless Grantee is able to cure Termination Event(s) within **[***]** cure period, or the parties have agreed in writing to extend the time period for Grantee to cure Termination Event(s). Upon the expiration of such period, this Agreement shall automatically terminate unless Grantee reports in writing that it has cured each applicable Grantee Termination Event and Grantor has acknowledged that it accepts the cure.

No Grantor funds shall be obligated for any expenses incurred by Grantee on or after the Notice Date if Termination Event(s) is not cured within **[***]** cure period or such extended time to cure as may be agreed by the parties. In the event Grantee timely cures the Termination Event(s), allowable costs incurred after the Notice Date may be paid with Grantor funds.

In the event that the Grantee fails to perform this Agreement in accordance with state laws, federal

laws, and/or the provisions of this Agreement, Grantor reserves the right to recapture in whole or in part, Grant funds disbursed under the Agreement, in addition to any other remedies available at law or in equity.

Nothing herein shall be construed to release Grantor from any obligation to provide Grantor funds to Grantee for allowable costs incurred prior to the Notice Date. Upon termination, Grantee will be reimbursed **[***]** incurred prior to the Notice Date, not to exceed total Grant Period costs specified in Attachment C Budget. Unexpended and unobligated Grantor funds shall be returned to the Grantor within **[***]** of termination of this Agreement.

11.3Termination by Grantee. Grantee may terminate this Agreement **[***]** after the date of written notice to Grantor at Grantee's **[***]** during the Grant Period ("Grantee Termination"). No Grantor funds shall be obligated for any expenses incurred by Grantee on or after the date of such notice and up to the Grantee Termination date. If this Agreement is so terminated, Grantee shall return all Grantor funds not expended or obligated at the time of Grantee Termination. Repayment of funds from Grantee to Grantor shall be within **[***]** of termination of this Agreement. In the event of Grantee Termination of this Agreement, Grantor shall be entitled to reimbursement of **[***]**.

11.4Effects. Upon termination of this Agreement for any reason, Grantor shall have no further obligation to disburse grant funds to Grantee, whether or not the entire Grant has been disbursed to Grantee, and Grantee's authority to expend previously disbursed grant funds shall end. In the event that this Agreement is terminated for any reason whatsoever, and **[***]** after the effective date of termination:

(a) Grantee shall promptly return any unexpended funds, including interest, to Grantor; and
(b) Grantee shall refund to Grantor any funds spent for purposes other than the activities set forth in the Proposal, the Milestones and Timeline, and the Budget; and
(c) Upon Grantor's request, Grantee shall reimburse to Grantor the total purchase price for all equipment purchased solely using Grantor funds under the Grant or reimburse the portion of the purchase price paid by Grantor funds; and
(d) Grantee shall invoice Grantor for outstanding expenditures and/or any reasonable non-cancellable obligations incurred by Grantee and to which Grantee is entitled reimbursement under the applicable section of this Agreement for activities performed as set forth in the Proposal and the Milestones and Timeline; and
(e) Grantee shall provide Grantor, in writing, with a final report of the activities performed in attempting to meet the Proposal and the Milestones and Timeline, and a final financial report.

Expenditure authority for any unexpended funds shall revert to Grantor. Nothing herein shall be construed to release Grantee from any obligation which matured prior to the effective date of such termination or to waive any rights Grantor may have to recover damages incurred by it as a result of Grantee's breach of the Agreement.

11.5Survival. All terms and provisions of this Agreement which by their nature are intended to be observed and performed after the expiration or termination of this Agreement shall survive such expiration or termination, and shall continue in full force and effect. Without limiting the generality of

the foregoing, the following provisions of this Agreement shall survive any expiration or termination: Article 3, Funding and Payment; Article 4, Progress Reports; Article 5, Accounting and Auditing; Article 6, Intellectual Property; Article 8, Presentations, Publications, and Publicity by Grantee; Article 11, Termination; Article 12, Communications and Public Disclosures by Grantor; Article 13, Responsibility for Loss/Indemnification; Article 14, Failure to Enforce; Article 15, Relationship of the Parties; Article 16, Governing Law; Article 17, Assignment; Article 18, No Oral Modifications; Article 19, Notices; Article 20, Entire Agreement; Article 21, Force Majeure; Article 22, Severability; Article 23, Disputes; Article 24, No Third-Party Beneficiaries; and Article 25, Counterparts.

ARTICLE 12. COMMUNICATIONS AND PUBLIC DISCLOSURES BY GRANTOR

Grantor reserves the right to publicly disseminate information about this grant and Grantee's activities as set forth in the Proposal and the Milestones and Timeline in public reports, on its website, in press releases, speaking engagements, and other public venues. Grantor shall not publicly disclose information that has been marked as proprietary or confidential, as is consistent in Grantor's sole discretion, with RCW 42.56.270(29) or other applicable exemptions to public disclosure, if such information has not been previously disclosed to the public. From time-to-time Grantor may request Grantee or Principal Investigator(s) to assist Grantor with such communications and public disclosures pertaining to the activities set forth in the Proposal and the Milestones and Timeline. Such assistance provided by Grantee or Principal Investigator(s) shall be at reasonable times and locales and at Grantor's expense.

ARTICLE 13. RESPONSIBILITY FOR LOSS/INDEMNIFICATION

To the fullest extent permitted by law, Grantee shall indemnify, defend, and hold harmless Grantor and Grantor's officers, directors, agents, employees, and representatives (including without limitation, Administrator) from and against all claims, injuries, loss, liability and expense (including reasonable attorneys' fees) resulting from the performance of the activities contemplated by, arising from, or taken in connection with the performance of the Proposal and the Milestones and Timeline as contemplated by this Agreement. Grantee's obligations pursuant to this Article 13 shall include without limitation any claim by Grantee's officers, directors, agents, employees, and representatives (including without limitation its Subcontractors, Collaborators, and Service Providers).

"Claim," as used in this Agreement, means any financial loss, claim, suit, action, damage or expense, including but not limited to attorneys' fees, attributable for bodily injury, sickness, disease, or death, or injury to or destruction of tangible property including loss of use resulting therefrom. Grantee's obligations to indemnify, defend, and hold harmless include any claim by Grantee's agents, employees, representatives, or any subcontractor or its employees.

ARTICLE 14. FAILURE TO ENFORCE

The failure of Grantor at any time, or for any period of time, to enforce any of the provisions of this Agreement shall not be construed as a waiver of such provisions or as a waiver of the right of Grantor thereafter to enforce each and every such provision.

ARTICLE 15. RELATIONSHIP OF THE PARTIES

The relationship of the parties is that of independent contractors. Nothing herein is intended or shall be

construed to establish any agency, partnership, or joint venture. Neither party is authorized or empowered to act as an agent for the other party for any purpose and neither party shall be bound by the acts or conduct of the other party.

ARTICLE 16. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the state of Washington.

ARTICLE 17. ASSIGNMENT

This Agreement shall not be assigned by Grantee without the advance written consent of Grantor and any attempted assignment shall be null and void. Grantor may assign this Agreement subject to authorization by statutory amendment or its Board of Directors. Upon such assignment, Grantor's assignee shall accept all rights and assume all obligations herein.

ARTICLE 18. NO ORAL MODIFICATIONS

This Agreement may not be changed, modified, or amended except by express written agreement of the parties executed by their authorized representatives.

ARTICLE 19. NOTICES

Except as otherwise expressly provided in this Agreement, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, electronic transmission using electronic mail or Grantor's online systems, facsimile, or mailing the same, postage prepaid to Grantee or Grantor at the address or number set forth below, or to such other addresses or numbers as either party may indicate pursuant to this section. Any communication or notice so addressed and mailed shall be effective five days after mailing. Any communication or notice delivered by facsimile shall be effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours of the recipient, or the next business day, if transmission was outside normal business hours of the recipient. Any communication or notice given by personal delivery shall be effective when actually delivered. Communications by Grantee to Grantor using Grantor's online systems as required under this Agreement shall be effective upon Grantee's receipt of confirmation that such communications have been received by Grantor. Communications by electronic mail shall be effective upon the sender's receipt of confirmation from the recipient that such communications have been received.

Notices to Grantor:
Notices to Grantor shall be submitted to:

Andy Hill CARE Fund
Email: [***]
Address: For notifications that require a physical address, an address will be provided upon request.

All invoices should be submitted electronically to [***].

Additionally, all notices to Grantor shall be copied to:

Laura Flores
Cantrell Andy Hill
CARE Fund
Email: [***]
Address: For notifications that require a physical address, an address will be provided upon request.

Notices to Grantee: Principal Investigator
Name: Michelle Nelson
Title: Senior Director, Immunobiology
Organization: Aptevo Therapeutics Inc.
Address: 2401 4th Ave. Suite 1050, Seattle, WA 98121

Tel: [***]
Email: [***]

Notices to Grantee: Authorized Official
Name: Michelle Nelson
Title: Senior Director, Immunobiology
Organization: Aptevo Therapeutics Inc.
Address: 2401 4th Ave. Suite 1050, Seattle, WA 98121

Tel: [***]
Email: [***]

Notices to Grantee: Financial Official
Name: Daphne
Taylor Title: SVP &
CFO
Organization: Aptevo Therapeutics Inc.
Address: 2401 4th Ave. Suite 1050, Seattle, WA 98121

Tel: [***]
Email: [***]

ARTICLE 20. ENTIRE AGREEMENT

This Agreement and the Attachments attached hereto express the entire understanding of the parties with reference to the subject matter hereof, and supersede any prior or contemporaneous representations, understandings, and agreements, whether oral or written. The parties agree and acknowledge that the rule of construction that ambiguities in a written agreement be construed against its drafter shall not be applicable to this Agreement.

ARTICLE 21. FORCE MAJEURE

Neither Grantor nor Grantee shall be held responsible for delay or default caused by fire, civil unrest, natural causes, and war which is beyond, respectively, Grantor's or Grantee's reasonable control. Each party shall, however, make all reasonable efforts to remove or eliminate such cause of delay or default and shall, upon cessation of the cause, diligently pursue performance of its obligations under this

Agreement.

ARTICLE 22. SEVERABILITY

The provisions of this Agreement are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Agreement.

ARTICLE 23. DISPUTES

The parties agree that, in the event of a dispute between them arising from, concerning, or in any way related to this Agreement, they shall undertake good faith efforts to resolve the matter amicably. The parties agree that neither shall initiate an action in court or an administrative tribunal against the other without giving **[***]** notice of its intent, so that the parties may attempt to resolve the issues without resort to litigation.

ARTICLE 24. NO THIRD-PARTY BENEFICIARIES

Grantor and Grantee are the only parties to this Agreement and, except to the extent that Grantor has delegated to Administrator the authority to act on Grantor's behalf in enforcing its rights and interests hereunder, Grantor and Grantee are the only parties entitled to enforce its terms. The parties agree that Grantee's **[***]** for the benefit of Grantor to enable it to accomplish its fundamental governmental purpose. Nothing in this Agreement is intended to give, or shall give, whether directly or indirectly, any third party standing to sue to enforce this Agreement.

ARTICLE 25. COUNTERPARTS

To facilitate execution, this Agreement may be executed in as many counterparts as may be required. All counterparts shall collectively constitute a single Agreement. This Agreement may be executed through delivery of duly executed signature pages by electronic transmission.

NOW, THEREFORE, agreement to the terms stated above is indicated by signatures affixed below.

Grantee: Aptevo Therapeutics
Inc. By: /s/ Michelle Nelson, PhD

Name: Michelle Nelson, PhD

Title: Senior Director, Immunobiology

Date: 6/25/2026

Grantor: Andy Hill Cancer Research Endowment By: /s/ Maura Little

Name: Maura Little

Title: Chair, CARE Board of
Directors Date: 6/29/2026

Principal Investigator:
I have read, understand, and consent to the terms of this
Agreement By: /s/ Michelle Nelson, PhD

Name: Michelle Nelson, PhD

Title: Senior Director, Immunobiology

Date: 6/25/2026

Acknowledged by **Program Administrator**:

By: /s/ Beth Harvey

Name: Beth Harvey

Title: Interim Foundation Director, Washington Cancer Impact Foundation

Date: 6/29/2026

Attachment A: Proposal

[***]

Attachment B: Milestones and Timeline

[***]

Attachment C: Budget

[***]

Attachment D: Certification of Non-State Matching Contributions

[***]

Attachment E: Conflict of Interest Report Form

[***]

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jeffrey Lamothe, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aptevo Therapeutics Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2026

By: /s/ Jeffrey G. Lamothe
Jeffrey G. Lamothe
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daphne Taylor, certify that:

1. I have reviewed this Quarterly Report on form 10-Q of Aptevo Therapeutics Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2026

By: /s/ Daphne Taylor

Daphne Taylor
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
RULE 13a-14(b) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED AND
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Aptevo Therapeutics Inc. on Form 10-Q for the period ending June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 14, 2026

By: /s/ Jeffrey G. Lamothe
Jeffrey G. Lamothe
President and Chief Executive Officer

"This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Aptevo Therapeutics Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form-K), irrespective of any general incorporation language contained in such filing."

Exhibit 32.2

CERTIFICATION PURSUANT TO
RULE 13a-14(b) OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED AND
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Aptevo Inc. on Form 10-Q for the period ending June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 14, 2026

By: /s/ Daphne Taylor
Daphne Taylor
Senior Vice President and Chief Financial Officer

"This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Aptevo Therapeutics Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form-K), irrespective of any general incorporation language contained in such filing."