

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities  
Exchange Act of 1934

Date of Report (Date of earliest event reported): **June 23, 2020**

**AVID BIOSERVICES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State of other jurisdiction of incorporation)

**001-32839**

(Commission File Number)

**95-3698422**

(IRS Employer Identification No.)

**2642 Michelle Drive, Suite 200, Tustin, California 92780**

(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(714) 508-6100**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425).
- Soliciting material pursuant to Rule 14A-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<b>Title of each Class</b>	<b>Trading Symbol</b>	<b>Name of each exchange on which registered</b>
Common Stock, \$0.001 par value per share	CDMO	The NASDAQ Stock Market LLC
10.50% Series E Convertible Preferred Stock, \$0.001 par value per share	CDMOP	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

(c) On June 23, 2020, Avid Bioservices, Inc., a Delaware corporation (the “Company”), announced that the Board of Directors (“Board”) has appointed Mr. Nicholas S. Green, age 56, as the Company’s president and chief executive officer effective July 30, 2020, to succeed Mr. Richard Hancock who has served as the Company’s interim president and chief executive officer since May 2019.

Mr. Green has more than 30 years of experience in the global pharmaceutical and healthcare services industry with significant expertise in the contract manufacturing of novel pharmaceutical products, having most recently served since April 2011 as the president and chief executive officer of Therapure Biopharma, a Canada-based biopharmaceutical company which includes Therapure Biomanufacturing. In this role, he oversaw the growth of Therapure’s CDMO business, while also leading the creation of Therapure’s proprietary plasma protein business, named Evolve. Prior to Therapure, Mr. Green held a number of senior management roles, most notably managing director of Nipa Laboratories Ltd., head of the life science division of Clariant International Ltd. in the USA, president and CEO of Rhodia Pharma Solutions Ltd. and president of Codexis, Inc.’s pharma division. Mr. Green holds a bachelor’s degree in chemistry from Queen Mary College in London and an MBA from the University of Huddersfield.

There are no family relationships between Mr. Green and any director or executive officer of the Company. Mr. Green has not engaged in any related person transaction (as defined in Item 404(a) of Regulation S-K) with the Company.

Pursuant to his offer letter, Mr. Green’s initial base salary is \$550,000 per annum. Mr. Green is also eligible to participate in the annual discretionary bonus plan for executive officers, with a target bonus percentage of up to one hundred percent (100%) of his annual base salary (prorated for the current fiscal year ending April 30, 2021) based on the Company’s attainment of annual performance goals and his attainment of individual goals, each as approved by the Compensation Committee of the Board. In addition, effective on his start date of July 30, 2020, Mr. Green will be granted a stock option to purchase 75,000 shares of the Company’s common stock at an exercise price equal to the closing price of the Company’s common stock on July 30, 2020, and awarded a restricted stock unit (“RSU”) for 150,000 shares, both of which shall be awarded from the Company’s 2018 Omnibus Incentive Stock Plan. The stock option and RSU each will vest in equal annual installments over a four (4) year period.

Mr. Green is eligible to participate in all benefits plans or arrangements which are currently, or may in the future be, offered by the Company from time to time to its executive management employees, including accrued paid-time-off covering vacation and sick time benefits.

The Company has agreed to provide Mr. Green with up to \$50,000 to cover the costs associated with his relocation to Orange County, California. This amount will not be grossed up for federal or California income tax purposes. In the event that Mr. Green terminates his employment (i) within six months following such relocation, he will be required to return to the Company one hundred percent (100%) of the relocation payment, or (ii) during months seven (7) through twenty-four (24) following such relocation, he will be required to return a pro-rata portion of the relocation payment. In addition, the Company will pay for temporary accommodations in Orange County, California and a rental car, each for up to a period of ninety (90) days while Mr. Green arranges for permanent housing.

In the event that Mr. Green’s employment is terminated by the Company without cause or by Mr. Green for good reason (as cause and good reason are customarily defined in the Company’s employment agreements with its executive officers), Mr. Green shall be entitled to receive a severance payment equal to twelve (12) months’ base salary and continuation of benefits for a period of twelve (12) months following such termination.

The Company and Mr. Green intend to enter into a formal employment agreement providing for the above, as well as terms and conditions as are customary for other executive officers of the Company.

(d) Also on June 25, 2020, the Board, acting pursuant to its Amended and Restated Bylaws, adopted a resolution to increase the number of authorized directors of the Company from six to seven directors and, following the recommendation of the Corporate Governance Committee of the Board, adopted a resolution appointing Nicholas S. Green to the Board effective July 30, 2020, to fill the vacancy created thereby.

The information contained in Item 5.02(c) of this Current Report regarding Mr. Green's business experience is hereby incorporated by reference into this Item 5.02(d).

The Corporate Governance Committee determined that Mr. Green is qualified to serve on the Board of Directors due to his global pharmaceutical and healthcare services industry with significant expertise in the contract manufacturing of novel pharmaceutical products.

There was no arrangement or understanding pursuant to which Mr. Green was elected director.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits. The following material is filed as an exhibit to this Current Report on Form 8-K:

**Exhibit  
Number**

99.1 [Press Release issued June 23, 2020.](#)

**SIGNATURES**

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

AVID BIOSERVICES, INC.

Date: June 25, 2020

By: /s/ Daniel R. Hart  
Daniel R. Hart  
Chief Financial Officer

EXHIBIT INDEX

**Exhibit  
Number**

**Description** \_\_\_\_\_

99.1

[Press Release issued June 23, 2020.](#)

**Contacts:**

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**Avid Bioservices Names Nicholas Green as President and Chief Executive Officer**

*Seasoned Executive Brings More than 30 Years of Pharmaceutical and Healthcare Services Industry Experience to Lead Avid Through Next Phase of Growth and Expansion*

**TUSTIN, CA, June 23, 2020** -- Avid Bioservices, Inc. (NASDAQ:CDMO) (NASDAQ:CDMOP), a dedicated biologics contract development and manufacturing organization (CDMO) working to improve patient lives by providing high quality development and manufacturing services to biotechnology and pharmaceutical companies, today announced that Nicholas Green has been appointed president and chief executive officer, as well as a member of the company's board of directors, effective July 30, 2020. He will succeed Rick Hancock who has served as interim president and CEO since May 2019. Mr. Hancock will continue to serve on Avid's board of directors.

Mr. Green has more than 30 years of experience in the global pharmaceutical and healthcare services industry with significant expertise in the contract manufacturing of novel pharmaceutical products. His global pharmaceutical experience spans four continents, having run 31 facilities in nine countries spanning North America, South America, Europe, and Asia. Throughout his career, Mr. Green has held a number of senior management roles for several contract manufacturing organizations and life science companies, where he is credited with successfully building and expanding those businesses and delivering significant value for customers, patients, employees, and other stakeholders.

Joseph Carleone, Ph.D., chairman of the Avid board of directors, said, "On behalf of the Avid board, I'd like to welcome Nick as our new president and CEO. His appointment is the result of a deliberate and comprehensive search for an industry executive capable of leading Avid to achieve its full potential. Nick's lengthy and impressive career in the pharmaceutical contract development and manufacturing sector, which has included senior leadership roles at several successful companies, positions him perfectly to oversee Avid's ongoing efforts aimed at customer base expansion and revenue growth. The board and I look forward to the positive impact that Nick will make on the company's business over both the near and long-term."

"I am excited to join the Avid team and contribute my industry experience to helping the company continue its impressive growth trajectory," said Mr. Green. "Today, there is significant and growing demand for companies at the leading edge of contract development and manufacturing services for biologics. With its high-quality offerings in the areas of process development, analytical services, and CGMP manufacturing, combined with its more than 25 years of experience in manufacturing complex biologics, Avid is among the best positioned companies to seize this opportunity."

“I thoroughly enjoyed my role as the interim president and CEO of Avid and am proud of what the company has achieved during that time in diversifying our client base and increasing revenues,” said Rick Hancock. “I believe that Avid is well positioned to execute successfully on its growth strategy moving forward and the addition of a leader such as Nick will only serve to strengthen the company’s prospects. The appointment of someone of Nick’s caliber, combined with the strength and talents of the entire Avid team, make it easy for me to step aside and transition back into the sole role of board member at this time. I would like to express deep gratitude to all Avid team members for their commitment and hard work during my tenure.”

Mr. Green most recently served as president and CEO of Therapure Biopharma, a Canada-based biopharmaceutical company which includes Therapure Biomanufacturing. In this role, he oversaw the growth of the company’s CDMO business, while also leading the creation of Therapure’s proprietary plasma protein business, named Evolve. Prior to Therapure, he held a number of senior management roles, most notably managing director of Nipa Laboratories Ltd., head of the life science division of Clariant International Ltd. in the USA, president and CEO of Rhodia Pharma Solutions Ltd. and president of Codexis, Inc.’s pharma division. Mr. Green holds a bachelor’s degree in chemistry from Queen Mary College in London and an MBA from the University of Huddersfield.

#### **About Avid Bioservices, Inc.**

Avid Bioservices is a dedicated contract development and manufacturing organization (CDMO) focused on development and CGMP manufacturing of biopharmaceutical drug substances derived from mammalian cell culture. The company provides a comprehensive range of process development, CGMP clinical and commercial manufacturing services for the biotechnology and biopharmaceutical industries. With over 25 years of experience producing monoclonal antibodies and recombinant proteins, Avid's services include CGMP clinical and commercial drug substance manufacturing, bulk packaging, release and stability testing and regulatory submissions support. For early-stage programs, the company provides a variety of process development activities, including upstream and downstream development and optimization, analytical methods development, testing and characterization. The scope of our services ranges from standalone process development projects to full development and manufacturing programs through commercialization. [www.avidbio.com](http://www.avidbio.com)