

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| | | | | | | | | |
|--|-----------|--------------|---|--|--|---|--|--|
| 1. Name and Address of Reporting Person* <u>Hancock Richard B</u> | | | 2. Issuer Name and Ticker or Trading Symbol <u>Avid Bioservices, Inc. [CDMO]</u> | | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below) | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) <u>12/02/2022</u> | | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person | | |
| <u>14191 MYFORD ROAD</u> | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | |
| (Street) | <u>CA</u> | <u>92780</u> | | | | | | |
| (City) | (State) | (Zip) | | | | | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|--------------------------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock, \$0.001 par value | 12/02/2022 | | M | | 10,000 | A | \$4.53 | 46,881 | D | |
| Common Stock, \$0.001 par value | 12/02/2022 | | s ⁽¹⁾ | | 10,000 | D | \$16.1122 ⁽²⁾ | 36,881 | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|--|------------|---|-----------------|--|--|---|--|
| | | | | Code | V | | (A) | (D) | Date Exercisable | Expiration Date | | | | |
| Stock Option (right to buy) | \$4.53 | 12/02/2022 | | M ⁽¹⁾ | | 10,000 | (3) | 05/07/2026 | Common Stock | 10,000 | \$0.0000 | 200,887 | D | |

Explanation of Responses:

- The transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on October 7, 2022.
- Represents a weighted average sales price per share. These shares were sold at prices ranging from \$16.00 to \$16.20. The Reporting Person has provided to the Issuer, and hereby undertakes to provide the SEC staff or a security holder of the Issuer, upon request, information regarding the number of shares sold at each respective price within the range set forth in this footnote.
- Stock option granted to the reporting person on May 7, 2019, vests in four (4) equal annual installments beginning May 7, 2020 and each year thereafter until fully-vested, subject to the reporting person's continuous service to the Issuer on such vesting.

/s/ Stephen Hedberg, by Power of Attorney for Richard B. Hancock 12/06/2022

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.