

**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): May 20, 2021

INNOVIVA, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

000-30319
(Commission File Number)
1350 Old Bayshore Highway, Suite 400
Burlingame, California 94010
(650) 238-9600

94-3265960
(I.R.S. Employer Identification Number)

(Addresses, including zip code, and telephone numbers, including area code, of principal executive offices)
(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 (see General Instruction A.2. below):

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	INVA	The NASDAQ Global Select Market

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 1.01. Entry into a Material Definitive Agreement.

On May 20, 2021, Innoviva, Inc. (“Innoviva”) entered into a share repurchase agreement (the “Share Repurchase Agreement”) to purchase 32,005,260 shares of its common stock, par value \$0.01 per share, from Glaxo Group Limited (“GSK”) (the “Transaction”), representing all of the shares of common stock or other capital interests of Innoviva owned by GSK or its affiliates. The purchase price under the Share Repurchase Agreement is \$12.25 per share, resulting in a total consideration of \$392,064,435. The closing of the purchase under the Share Repurchase Agreement is expected to occur on or before May 25, 2021.

In order to provide proceeds to Innoviva to fund a portion of the Transaction, Innoviva Strategic Partners LLC (“Strategic Partners”), a wholly owned subsidiary of Innoviva, will receive a distribution of \$110,000,000 from ISP Fund LP (the “Partnership”), in accordance with that certain Letter Agreement, dated May 20, 2021, by and among Strategic Partners, the Partnership and Sarissa Capital Fund GP LP (the “Letter Agreement”). Under the terms of the Letter Agreement, Strategic Partners has committed to make additional capital contributions to the Partnership in an amount equal to the distribution. The Letter Agreement, and the transactions contemplated thereby, were approved by the audit committee of Innoviva’s Board of Directors.

The foregoing is a summary description of certain terms of the Share Repurchase Agreement and the Letter Agreement and does not purport to be complete, and is qualified in its entirety by reference to the full text of the Share Repurchase Agreement and the Letter Agreement, which are attached hereto as Exhibit 10.1 and 10.2 (respectively) and are incorporated herein by reference.

Item 8.01. Other Events.

On May 20, 2021, Innoviva issued a press release announcing the execution of the Share Repurchase Agreement. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 10.1 Share Repurchase Agreement, dated as of May 20, 2021, by and between Innoviva, Inc. and Glaxo Group Limited.
 - 10.2 Letter Agreement, dated as of May 20, 2021, by and among Innoviva Strategic Partners LLC, ISP Fund LP and Sarissa Capital Fund GP LP.
 - 99.1 Press Release, dated May 20, 2021.
-

SIGNATURE

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

Date: May 20, 2021

INNOVIVA, INC.

By: /s/ Pavel Raifeld
Pavel Raifeld
Chief Executive Officer

SHARE REPURCHASE AGREEMENT

THIS SHARE REPURCHASE AGREEMENT (this "Agreement") is made and entered into as of May 20, 2021, by and between Innoviva, Inc., a Delaware corporation ("Company"), and Glaxo Group Limited, a private company limited by shares registered under the laws of England and Wales ("Seller").

1. Purchase and Sale of Shares.

(a) Purchase and Sale. Upon the terms set forth in this Agreement, effective as of the Closing, the Company hereby purchases from the Seller, and the Seller hereby sells to the Company, 32,005,260 shares of common stock of the Company, par value \$0.01 per share, owned by Seller (the "Shares"), representing all of the shares of common stock or other capital interests of the Company owned beneficially or of record by GlaxoSmithKline plc, the ultimate parent company of Seller ("GSK"), or its controlled affiliates (excluding any securities held by any employee benefit plan or similar plan or entity), at a price per Share of \$12.25, representing aggregate consideration for all such Shares of \$392,064,435 (the "Closing Consideration").

2. Settlement. The closing of the purchase by the Company and sale by the Seller of the Shares (the "Closing") shall be held on May 25, 2021, or on such other date and time as the Company and Seller agree (the "Closing Date"). On the Closing Date, (i) the Company shall pay the Closing Consideration for all of the Shares purchased and sold hereunder by wire transfer of immediately available funds to such account as the Seller shall have specified in writing and (ii) the Company and the Seller shall cause the Shares to be transferred to the Company's account at the Company's transfer agent and the Seller shall deliver appropriate stock transfer powers representing the Shares in customary form. On or promptly after the Closing Date, the Seller shall deliver the stock certificates representing the Shares or customary lost stock affidavits in lieu thereof. The obligations of the parties to consummate the Closing shall be conditioned only on there being, as of the Closing Date, no injunctions, orders or other restraints issued by a governmental authority with competent jurisdiction restraining or prohibiting the consummation of the Closing and the delivery by the Seller of the Shares free and clear of any liens, encumbrances, or charges, of any kind (other than any lien, encumbrance or charge arising as a result of the Company's purchase or ownership of any such Shares or which arise under applicable federal and state securities laws).

3. Representations and Warranties of Seller. The Seller represents and warrants to the Company as of the date hereof and as of the Closing Date as follows:

(a) The Seller owns all of the Shares. No person or entity has asserted in writing any claim or commenced or threatened any litigation concerning the Seller's title to the Shares. Upon delivery of the Shares, the Seller will convey to Company valid title to the Seller's Shares, free and clear of any liens, encumbrances, or charges, of any kind (other than any lien, encumbrance or charge arising as a result of the Company's purchase or ownership of any such Shares or which arise under applicable federal and state securities laws);

(b) Other than as set forth in this Agreement and as is being sold to the Company hereunder, GSK and its controlled affiliates (excluding any securities held by any employee benefit plan or similar plan or entity) do not own, beneficially or of record, any shares of capital stock or other equity interests in the Company;

(c) The Seller is a private company limited by shares registered under the laws of England and Wales and is duly organized and validly existing;

(d) The Seller has the corporate power and authority to enter into this Agreement and the transactions contemplated hereby have been duly authorized by all necessary corporate action of Company;

(e) This Agreement constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as enforceability may be affected by bankruptcy, insolvency, moratorium or similar laws or by legal or equitable principles related to or limiting creditors' rights generally;

(f) The execution, delivery and performance of this Agreement by the Seller and the consummation of the transactions contemplated hereby will not result in a breach or violation by the Seller of, or constitute a default by the Seller under any of Seller's governing documents or any judgment, decree, order, governmental permit, license, agreement, indenture, instrument, statute, rule or regulation to which the Seller is a party or by which the Seller is bound, in each case, other than any breach, violation or default that would not materially impair the ability of the Seller to perform its obligations under this Agreement or to consummate the transactions contemplated hereby, and no authorization, approval or consent, except such as have been obtained, is required in connection with the execution, delivery and performance by the Seller of this Agreement or the consummation of the transactions contemplated hereby;

(g) The Seller has (i) reviewed the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the Securities and Exchange Commission (the "SEC") on February 25, 2021, the Company's Quarterly Reports on Form 10-Q for the quarterly period ended March 31, 2021, filed with the SEC on April 28, 2021, the Company's Current Reports on Form 8-K filed with the SEC after December 31, 2020, and the other publicly available filings made by Company with the SEC, information and reports furnished by Company, other publicly available information regarding the Company, and such other information that it and its advisers deem necessary and sufficient to make its decision to enter into

this Agreement, (ii) made Seller's own investigations of the Company, its businesses, personnel, operations and prospects, (iii) had an opportunity to discuss the Company's business, management and financial affairs with officers of the Company and (iv) conducted and completed its own independent due diligence with respect to the transactions contemplated by this Agreement;

(h) Seller (i) has independently made its own analysis and decision to enter into the transactions contemplated by this Agreement, (ii) is relying exclusively on its own investment analysis and due diligence (including such professional advice as it deems appropriate) and the representations and warranties by the Company set forth herein with respect to the transactions contemplated by this Agreement, the Shares and the business, condition (financial and otherwise), management, operations, properties and prospects of the Company and (iii) hereby waives any claims against the Company with respect to such investigation, analysis and investment decision;

(i) The Seller acknowledges that the Company may be privy to material non-public information regarding the Company (collectively, the "Non-Public Information"), which may be material to a reasonable investor, such as the Seller, when making investment disposition decisions, including the decision to enter into the Agreement, and the Seller's decision to enter into the Agreement is being made with full recognition and acknowledgment that the Company may be privy to the Non-Public Information, irrespective of whether such Non-Public Information has been provided to the Seller. The Seller hereby waives any claim, or potential claim, it has or may have against the Company relating to the Company's possession of Non-Public Information in connection with the matters contemplated by this Agreement and the Company shall not have any liability to the Seller, and the Seller to the fullest extent of the law waives and releases any claims, whether known or unknown, that it might have against the Company, whether under applicable securities laws or otherwise, with respect to the nondisclosure of the Non-Public Information in connection with the purchase of the Shares and the transactions contemplated by this Agreement;

(j) The Seller acknowledges and agrees that the Company is relying on Seller's representations, warranties and agreements herein in proceeding with this Agreement and the transactions contemplated hereby and the Seller agrees to such reliance. Without such representations, warranties and agreements, the Company would not enter into this Agreement and the transactions contemplated hereby; and

(k) The Seller acknowledges that it has not relied upon any express or implied representations or warranties of any nature made by or on behalf of the Company or its subsidiaries, whether or not any such representations, warranties or statements were made in writing or orally, except as expressly set forth for the benefit of the Seller in this Agreement.

4. Representations and Warranties of Company. The Company represents and warrants to the Seller as of the date hereof and as of the Closing Date as follows:

(a) The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware;

(b) This Agreement constitutes a legal, valid and binding obligation of Company, enforceable against Company in accordance with its terms, except as enforceability may be affected by bankruptcy, insolvency, fraudulent conveyance, moratorium or similar laws or by legal or equitable principles related to or limiting creditors' rights generally;

(c) The Company has the corporate power and authority to enter into this Agreement and the transactions contemplated hereby have been duly authorized by all necessary corporate action of Company;

(d) The execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby will not result in a breach or violation by Company of, or constitute a default by the Company under any of its governing documents or any judgment, decree, order, governmental permit, license, agreement, indenture, instrument, statute, rule or regulation to which it or any of its subsidiaries is a party or by which it or any of its subsidiaries is bound or to which any of its or any of its subsidiaries' properties or assets is subject, in each case, other than any breach, violation or default that would not materially impair the ability of the Company to perform its obligations under this Agreement or to consummate the transactions contemplated hereby, and no authorization, approval or consent, except to the extent obtained, is required in connection with the execution, delivery and performance by the Company of this Agreement or the consummation of the transactions contemplated hereby;

(e) The Company will have as of the Closing Date legally available funds sufficient to consummate the transactions contemplated by this Agreement. After giving effect to the transactions contemplated hereby, the Company will have adequate surplus and the transactions contemplated hereby will be in compliance with Section 160 of the Delaware General Corporation Law;

(f) Both immediately prior to and after giving effect to the transactions contemplated hereby, the Company shall be Solvent (as defined below). For purposes of this Agreement, the term "Solvent" means that, as of the applicable time of determination, the Company and its subsidiaries, taken as a whole, (A) are able to pay their respective debts as they become due; (B) own property which has a fair value greater than the amounts required to pay their respective debts (including a reasonable estimate of the amount of all contingent liabilities); and (C) have adequate capital to carry on their respective businesses. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated by this Agreement with the intent to hinder, delay or defraud either present or future creditors of the Company or its subsidiaries;

(g) The Company (i) has independently made its own analysis and decision to enter into the transactions contemplated by this Agreement, (ii) is relying exclusively on its own investment analysis and due diligence (including such

professional advice as it deems appropriate) and the representations and warranties of the Seller set forth herein with respect to the transactions contemplated by this Agreement, the Shares and the business, condition (financial and otherwise), management, operations, properties and prospects of the Company and (iii) hereby waives any claims against the Seller with respect to such investigation, analysis and investment decision;

(h) The Company acknowledges that the Seller may be privy to material non-public information regarding matters affecting the Company (collectively, the “Seller Non-Public Information”), which may be material to the Company when making investment decisions, including the decision to enter into the Agreement, and the Company’s decision to enter into the Agreement is being made with full recognition and acknowledgment that the Seller may be privy to Seller Non-Public Information, irrespective of whether such Seller Non-Public Information has been provided to the Company. The Company hereby waives any claim, or potential claim, it has or may have against the Seller relating to the Seller’s possession of Seller Non-Public Information in connection with the matters contemplated by this Agreement and the Seller shall not have any liability to the Company, and the Company to the fullest extent of the law waives and releases any claims, whether known or unknown, that it might have against the Seller, whether under applicable securities laws or otherwise, with respect to the nondisclosure of the Seller Non-Public Information in connection with the sale of the Shares and the transactions contemplated by this Agreement;

(i) The Company has reviewed such information that it and its advisers deem necessary and sufficient to make its decision to enter into this Agreement, had an opportunity to discuss the Seller Non-Public Information with the Seller and conducted and completed its own independent due diligence with respect to the transactions contemplated by this Agreement;

(j) The Company acknowledges and agrees that the Seller is relying on the Company’s representations, warranties and agreements herein in proceeding with this Agreement and the transactions contemplated hereby and the Company agrees to such reliance. Without such representations, warranties and agreements, the Seller would not enter into this Agreement and the transactions contemplated hereby; and

(k) The Company acknowledges that it has not relied upon any express or implied representations or warranties of any nature made by or on behalf of the Seller or its affiliates, whether or not any such representations, warranties or statements were made in writing or orally, except as expressly set forth for the benefit of the Company in this Agreement.

5. Survival of Representations, Warranties and Covenants. All representations, warranties and covenants contained herein shall survive the execution of this Agreement and the consummation of the transactions contemplated hereby.

6. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns. The Agreement may not be assigned by either party without the prior written consent of the other party. Any assignment purported to be made in violation of the foregoing shall be null and void.

7. Severability. In the event that any portion of this Agreement may be held to be invalid or unenforceable for any reason, it is hereby agreed that such invalidity or unenforceability shall not affect the other portions of this Agreement and that the remaining covenants, terms and conditions or portions hereof shall remain in full force and effect, and any court of competent jurisdiction may so modify the objectionable provision as to make it valid, reasonable and enforceable.

8. Entire Agreement. This Agreement contains the complete agreement among the parties hereto with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings among the parties hereto with respect to such transactions.

9. Governing Law. This Agreement and any proceeding, dispute or controversy (a “Proceeding”) or other matter relating hereto or thereto (or the negotiation hereof) shall be construed and enforced in accordance with the laws of the State of Delaware without giving effect to any conflicts of law rules or provisions that would compel the application of the substantive laws of another jurisdiction.

10. Venue. All Proceedings arising out of or relating to this Agreement (or the negotiation hereof) shall be heard and determined exclusively in the Delaware Court of Chancery and the appellate courts therefrom or, solely to the extent such courts lack jurisdiction, any federal court sitting in the State of Delaware and any appellate courts therefrom. Consistent with the preceding sentence, the parties hereto hereby (a) submit to the exclusive jurisdiction of such courts for the purpose of any such Proceeding brought by any party hereto and (b) irrevocably waive, and agree not to assert by way of motion, defense, or otherwise, in any such Proceeding, any claim that it is not subject personally to the jurisdiction of the above named courts, that its property is exempt or immune from attachment or execution, that the Proceeding is brought in an inconvenient forum, that the venue of the Proceeding is improper, or that this Agreement or the transactions contemplated by this Agreement may not be enforced in or by any of the above named courts.

11. Specific Performance. The parties hereby agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any provision of this Agreement (including failing to take such actions as are required of any party hereunder to consummate the transactions contemplated hereby) is not performed in accordance with its specific terms or is otherwise breached. Accordingly, the parties agree that each party shall be entitled to an injunction or injunctions, or any other appropriate form of specific performance or equitable relief, to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof and thereof in any court of competent jurisdiction in accordance with Section 10, this being in addition to any other remedy to which they are entitled under the terms of this

Agreement, at law, in equity or otherwise, and each party hereby waives any requirement for the securing or posting of any bond or other collateral in connection with such remedy or any right to object to any such remedy.

12. Waiver of Jury Trial. Each of the parties hereto hereby waives to the fullest extent permitted by applicable law any right it may have to a trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement or the transactions contemplated by this Agreement.

13. Further Assurances. Each of the parties hereto shall take, or cause to be taken, all appropriate action, to do or cause to be done all things necessary, proper or advisable under applicable law, and to execute and deliver such documents and other papers, as may be required to carry out the provisions of this Agreement and to consummate and make effective the transaction contemplated by this Agreement.

14. Public Announcements. The parties agree that (i) the initial press release by the Seller, the initial press release by the Company, and the SEC filing on Form 8-K by the Company, each disclosing the execution and delivery of this Agreement and the transactions contemplated hereby and the SEC filing on Form 8-K by the Company disclosing the results of the Company's annual meeting shall be in the forms attached hereto as Exhibits A-D (the "Agreed Disclosures"). Each of the parties agrees that, other than the Agreed Disclosures or as permitted by the immediately succeeding sentence, and except as may be required by law, rule, regulation or the requirements of any self-regulatory organization or stock exchange listing requirements (in which case the party required to make the filing, disclosure, communication, release or announcement shall allow the other party reasonable time to comment thereon in advance of such statement, release, filing, disclosure, communication or announcement and will consider in good faith any comments provided by such party), each of the parties hereto will not make any public statement, press release or other public filing, disclosure, communication, release, or announcement with respect to this Agreement and any of the transactions contemplated by this Agreement, including the circumstances or discussions (to the extent related to the Seller's relationship with the Company as a stockholder of the Company and not, for clarity, in connection with the Commercial Agreements (as defined below)) in the twelve months leading to the negotiation and execution of this Agreement (or substantially the same circumstances or discussions prior thereto); provided, that nothing herein shall limit or prevent a party from making any statements, press releases or other filings, disclosures, communications, releases or announcements to the extent reasonably related to such party exercising or enforcing any of its rights under this Agreement. Notwithstanding the foregoing, each of the parties shall be entitled to make public statements or disclosures that are substantially consistent with the Agreed Disclosures; provided, that Seller shall provide the Company with a reasonable time to review and comment on the amendment to Schedule 13D of the Seller (or its affiliates).

15. Fees and Expenses. All costs and expenses incurred in connection with this Agreement and the transaction contemplated by this Agreement shall be the responsibility of and shall be paid by the party incurring such fees or expenses, whether or not the transaction contemplated by this Agreement is consummated.

16. Entire Agreement. This Agreement contains the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter. For the avoidance of doubt, nothing herein shall limit or amend the rights or obligations of any party or any of their affiliates (including the right to receive royalties) under that certain Collaboration Agreement, dated as of November 14, 2002 or that certain Strategic Alliance Agreement, dated as of March 30, 2004, each as amended from time to time, and any related agreements or instruments (collectively, the "Commercial Agreements").

17. Amendments; Waiver. No amendment to this Agreement shall be effective unless it shall be in writing and signed by all parties. No waiver of any term, provision or condition of this Agreement will be effective unless memorialized in writing and signed by the party against whom such waiver is to be enforced; and no waiver of any breach of this Agreement will be implied from any forbearance or failure of a party to take action thereon.

18. Pre-Closing Rights. Nothing contained in this Agreement shall in anyway alter, limit or impair or be interpreted to alter, limit or impair the rights, privileges or obligations of the Seller with respect to the Seller's ownership of the Shares prior to the Closing, including the right of the Seller to, prior to the Closing, receive any dividends payable on the Shares prior to the Closing or vote the Shares with respect to any matters submitted for a stockholder vote prior to the Closing.

19. Counterparts. This Agreement may be executed by facsimile or electronic signature and in two or more counterparts, each of which shall be deemed an original but all of which shall constitute but one instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the parties thereto have executed this Agreement as of the date first above written.

COMPANY

INNOVIVA, INC.

By: /s/ Pavel Raifeld
Name: Pavel Raifeld
Title: Chief Executive Officer

SELLER:

GLAXO GROUP LIMITED

By: /s/ Peter Hopkins

Name: Peter Hopkins

Title: Authorized Signatory by Power of Attorney

ISP FUND LP

c/o Sarissa Capital Fund GP LP
660 Steamboat Road, 3rd Floor
Greenwich, Connecticut 06830

Dated as of May 20, 2021

Innoviva Strategic Partners LLC
1350 Old Bayshore Highway
Suite 400
Burlingame, CA 94010

Re: Distribution from ISP Fund LP

Ladies and Gentlemen:

In connection with the investment of Innoviva Strategic Partners LLC (the "Investor") in ISP Fund LP, a Delaware limited partnership (the "Fund"), Sarissa Capital Fund GP LP (the "General Partner") and the Fund agree with the Investor as follows:

The Investor is proposing to make a strategic repurchase of shares of the Investor held by Glaxo Group Limited and desires to access capital from its Capital Account to fund in part the transaction. In order to provide the Investor access to the necessary capital for such transaction, the General Partner shall make a distribution to the Investor in the amount up to \$110,000,000 as of May 20, 2021, (the actual amount distributed, the "Distribution Amount"). The Investor acknowledges and agrees that Performance Allocation shall accrue at the time of distribution as provided in the Partnership Agreement in respect to the Distribution Amount. In consideration of this distribution, the Investor shall make one or more additional Capital Contributions to the Fund in an aggregate amount equal to the Distribution Amount at such time as the Investor has sufficient free and unencumbered cash from royalty payments (as determined by the Investor), and in any event prior to March 31, 2022 (in each case so long as such Capital Contributions shall not result in the Investor or Innoviva Inc. being an "investment company" within the meaning of the Investment Company Act of 1940 or otherwise have a materially adverse regulatory impact on the Investor or Innoviva).

Each capitalized term used and not otherwise defined in this letter agreement (this "Letter Agreement") shall have the meaning assigned to such term in the Fund's Amended and Restated Limited Partnership Agreement dated as of December 11, 2020 (the "Partnership Agreement").

This Letter Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law. Any claim relating to this Letter Agreement shall be brought and maintained only in the Court of Chancery of the State of Delaware, or, if the Court of Chancery of the State of Delaware does not have jurisdiction, the Superior Court of the State of Delaware, or, if the Superior Court of the State of Delaware does not have jurisdiction, the United States District Court for the District of Delaware, and each party irrevocably consents (and waives any objection) to the jurisdiction of such courts and to the serving of process anywhere in the world.

This Letter Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. Signatures in electronic form shall be as binding on the parties as originals.

Each provision of this Letter Agreement shall be considered separable, and if, for any reason, any provision or provisions hereof are determined to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall attach only to such provision and shall not in any manner affect or render illegal, invalid or unenforceable any other provision of this Letter Agreement, and this Letter Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein.

This Letter Agreement shall be binding upon, inure to the benefit of, and may be enforced by, each of the parties to this Letter Agreement and its successors and permitted assigns. Neither this Letter Agreement nor any of the rights, interests or obligations under this Letter Agreement shall be assigned by any party without the prior written consent of the other parties hereto.

[Signature Pages Follow]

ISP FUND LP

By: /s/ Eric Vincent
Name: /s/ Eric Vincent
Title: Authorized Signer

SARISSA CAPITAL FUND GP LP

By: /s/ Mark DiPaolo
Name: Mark DiPaolo
Title: Authorized Signer

Accepted and agreed as of the date first written above:

Innoviva Strategic Partners LLC

By: /s/ Pavel Raifeld
Name: Pavel Raifeld
Title: CEO



Innoviva Announces Strategic Repurchase of GSK's Equity Stake

- Innoviva to repurchase GSK's current 32% stake in the company for \$392 million

BURLINGAME, Calif., May 20, 2021 – Innoviva, Inc. (NASDAQ: INVA) (“Innoviva” and “the Company”) today announced the execution of definitive agreement to purchase of GSK's equity stake in Innoviva, constituting approximately 32 million shares, or 32% of the outstanding common stock, at \$12.25 per share, representing a 3% discount to the 5-day volume weighted average price of the Company's common stock, for a total purchase price of \$392 million.

Pavel Raifeld, Chief Executive Officer of Innoviva, stated: “We view the buyback as a compelling and highly accretive transaction demonstrating our ability to act strategically and opportunistically at the same time. We believe that it materially accelerates the delivery of our strategy, while also meaningfully improving our shares' long-term trading dynamics with an aligned shareholder base. We remain focused on, and strongly positioned for, continued significant value creation for the benefit of all shareholders.”

“GSK was our largest shareholder for many years and remains a key commercial partner. We are confident in the collaboration products' excellent commercial prospects, especially given strong recent performance in the face of a challenging environment, and look forward to continued work with GSK to address significant unmet medical needs for patients suffering from respiratory diseases,” concluded Mr. Raifeld.

Moelis & Company acted as a financial advisor and Willkie Farr Gallagher acted as a legal advisor to Innoviva.

About Innoviva

Innoviva, Inc. (referred to as “Innoviva”, the “Company”, or “we” and other similar ponouns), is a company with a portfolio of royalties that include respiratory assets partnered with Glaxo Group Limited (“GSK”), including RELVAR®/BREO® ELLIPTA® (fluticasone furoate/ vilanterol, “FF/VI”), ANORO® ELLIPTA® (umeclidinium bromide/ vilanterol, “UMEC/VI”) and TRELEGY® ELLIPTA® (the combination FF/UMEC/VI). Under the Long-Acting Beta2 Agonist (“LABA”) Collaboration Agreement, Innoviva is entitled to receive royalties from GSK on sales of RELVAR®/BREO® ELLIPTA® and ANORO® ELLIPTA®. Innoviva is also entitled to 15% of royalty payments made by GSK under its agreements originally entered into with us, and since assigned to Theravance Respiratory Company, LLC (“TRC”), relating to TRELEGY® ELLIPTA® and any other product or combination of products that may be discovered and developed in the future under the LABA Collaboration Agreement and the Strategic Alliance Agreement with GSK (referred to herein as the “GSK Agreements”), which have been assigned to TRC other than RELVAR®/BREO® ELLIPTA® and ANORO® ELLIPTA®.

ANORO®, RELVAR®, BREO®, TRELEGY® and ELLIPTA® are trademarks of the GlaxoSmithKline group of companies.

Forward Looking Statements

This press release contains certain “forward-looking” statements as that term is defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, statements relating to goals, plans, objectives and future events. Innoviva intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. The words “anticipate”, “expect”, “goal”, “intend”, “objective”, “opportunity”, “plan”, “potential”, “target” and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements involve substantial risks, uncertainties and assumptions. These statements are based on the current estimates and assumptions of the management of Innoviva as of the date of this press release and are subject to known and unknown risks, uncertainties, changes in circumstances, assumptions and other factors that may cause the actual results of Innoviva to be materially different from those reflected in the forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, among others, risks related to: expected cost savings; lower than expected future royalty revenue from respiratory products partnered with GSK; the commercialization of RELVAR®/BREO® ELLIPTA®, ANORO® ELLIPTA® and TRELEGY® ELLIPTA® in the jurisdictions in which these products have been approved; the strategies, plans and objectives of Innoviva (including Innoviva's growth strategy and corporate development initiatives beyond the existing respiratory portfolio); the timing, manner, and amount of potential capital returns to shareholders; the status and timing of clinical studies, data analysis and communication of results; the potential benefits and mechanisms of action of product candidates; expectations for product candidates through development and commercialization; the timing of regulatory approval of product candidates; and projections of revenue, expenses and other financial items; the impact of the novel coronavirus (“COVID-19”). Other risks affecting

Innoviva are described under the headings “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained in Innoviva’s Annual Report on Form 10-K for the year ended December 31, 2020 and Quarterly Reports on Form 10-Q, which are on file with the Securities and Exchange Commission (“SEC”) and available on the SEC’s website at www.sec.gov. Past performance is not necessarily indicative of future results. No forward-looking statements can be guaranteed and actual results may differ materially from such statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. The information in this press release is provided only as of the date hereof, and Innoviva assumes no obligation to update its forward-looking statements on account of new information, future events or otherwise, except as required by law.

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