

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) or 13(e)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

ENTASIS THERAPEUTICS HOLDINGS INC.
(Name of Subject Company (Issuer))

INNOVIVA MERGER SUB, INC.
(Name of Filing Persons (Offeror))
A wholly-owned subsidiary of

INNOVIVA, INC.
(Name of Filing Persons (Parent of Offeror))

Common Stock, par value \$0.001 Per Share
(Title of Class of Securities)

293614103
(CUSIP Number of Class of Securities)

Innoviva Merger Sub, Inc.
Innoviva, Inc.
1350 Old Bayshore Highway Suite 400
Burlingame, CA 94010
(650) 238-9600

(Name, address and telephone number of person authorized to receive notices and
communications on behalf of filing person)

Copy to:

Russel L. Leaf
Jared N. Fertman
Jonathan S. Kubek
Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
(212) 728-8000

CALCULATION OF FILING FEE

Transaction valuation*

N/A

Amount of filing fee*

N/A

* A filing fee is not required in connection with this filing as it relates solely to preliminary conversations made before the commencement of a tender offer.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:
Form or Registration No.:

Not applicable
 Not applicable

Filing party:
Date filed:

Not applicable
 Not applicable

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
 issuer tender offer subject to Rule 13e-4.
 going-private transaction subject to Rule 13e-3.
 amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer.



This filing relates solely to preliminary communications made before the commencement of a planned tender offer by Innoviva Merger Sub, Inc., a Delaware corporation (“Purchaser”) and a wholly-owned subsidiary of Innoviva, Inc., a Delaware corporation (“Parent”), for all of the outstanding shares of common stock, par value \$0.001 per share (the “Shares”) of Entasis Therapeutics Holdings Inc., a Delaware corporation (“Entasis”), to be commenced pursuant to the Agreement and Plan or Merger, dated as of May 23, 2022, by and among Purchaser, Parent, and Entasis.

Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Innoviva Acquisition and Integration FAQs, dated May 23, 2022.
99.2	Innoviva Transaction Discussion Materials Presented at Entasis Therapeutics Holdings Inc. Town Hall on May 23, 2022.
99.3	Key Messages for Project Elephant Day 1 Communications, dated May 23, 2022.
99.4	Employee email from Pavel Raifeld, provided on May 23, 2022.

Important Information about the Tender Offer

The tender offer described in the exhibits to this Schedule TO-C (the “Offer”) has not yet commenced. The exhibits are for informational purposes only and are neither an offer to purchase nor a solicitation of an offer to sell any shares of the common stock of Entasis Therapeutics Holdings Inc. (“Entasis”) or any other securities. At the time the planned tender offer is commenced, a tender offer statement on Schedule TO, including an offer to purchase, a letter of transmittal and related documents, will be filed by Innoviva, Inc. (“Innoviva”) and Innoviva Merger Sub, Inc., a wholly owned subsidiary of Innoviva, with the Securities and Exchange Commission (the “SEC”), and a solicitation/recommendation statement on Schedule 14D-9 will be filed by Entasis with the SEC. The offer to purchase shares of Entasis common stock will only be made pursuant to the offer to purchase, the letter of transmittal and related documents filed as a part of the Schedule TO.

INVESTORS AND SECURITY HOLDERS ARE URGED TO READ BOTH THE TENDER OFFER STATEMENT AND THE SOLICITATION/ RECOMMENDATION STATEMENT REGARDING THE OFFER, AS THEY MAY BE AMENDED FROM TIME TO TIME, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

Investors and security holders may obtain a free copy of these statements (when available) and other documents filed with the SEC at the website maintained by the SEC at www.sec.gov or by directing such requests to the Information Agent for the Offer, which will be named in the tender offer statement. Additional copies may be obtained at no charge by contacting Innoviva at 1350 Old Bayshore Highway Suite 400, Burlingame, CA 94010 or (650) 238-9600 or by contacting Entasis at 35 Gatehouse Drive, Waltham, MA 02451 or (781) 810-0120. In addition, Innoviva and Entasis file annual, quarterly and current reports and other information with the SEC, which are also available to the public at the SEC’s website at www.sec.gov.

Cautionary Statement Regarding Forward-Looking Statements

The exhibits include statements that are not statements of historical fact, or “forward-looking statements,” including with respect to Innoviva’s proposed acquisition of Entasis. Such forward-looking statements include, but are not limited to, the ability of Innoviva and Entasis to complete the transactions contemplated by the merger agreement, including the parties’ ability to satisfy the conditions to the consummation of the offer contemplated thereby and the other conditions set forth in the merger agreement, statements about the expected timetable for completing the transaction, Innoviva’s and Entasis’ beliefs and expectations and statements about the benefits sought to be achieved in Innoviva’s proposed acquisition of Entasis, the potential effects of the acquisition on both Innoviva and Entasis, the possibility of any termination of the merger agreement, as well as the expected benefits and success of Entasis’ product candidates. Many of these risks and uncertainties are beyond Entasis’ control. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. There can be no guarantees that the conditions to the closing of the proposed transaction will be satisfied on the expected timetable or at all, or with respect to pipeline products that the products will receive the necessary regulatory approvals or that they will prove to be commercially successful. If underlying assumptions prove inaccurate or risks or uncertainties materialize, actual results may differ materially from those set forth in the forward-looking statements.

Risks and uncertainties include, but are not limited to, uncertainties as to the timing of the offer and the subsequent merger; uncertainties as to how many of Entasis' stockholders unaffiliated with Innoviva will tender their shares in the offer; the risk that competing offers or acquisition proposals will be made; the possibility that various conditions to the consummation of the merger and the offer contemplated by the merger agreement may not be satisfied or waived; the effects of disruption from the transactions contemplated by the merger agreement and the impact of the announcement and pendency of the transactions on Entasis' business; the risk that stockholder litigation in connection with the offer or the merger may result in significant costs of defense, indemnification and liability, and diversion of management time and attention from managing Entasis' affairs; general industry conditions and competition; general economic factors, including interest rate and currency exchange rate fluctuations; the impact of pharmaceutical industry regulation and health care legislation in the United States and internationally; global trends toward health care cost containment; technological advances, new products and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approval; manufacturing difficulties or delays; financial instability of international economies and sovereign risk; dependence on the effectiveness of Innoviva's and Entasis' patents and other protections for innovative products; and the exposure to litigation, including patent litigation, and/or regulatory actions.

Innoviva and Entasis undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by law. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in Innoviva's and Entasis' 2021 Annual Reports on Form 10-K and Innoviva's and Entasis' other filings with the Securities and Exchange Commission ("SEC") available on the SEC's website at www.sec.gov.

Innoviva acquisition and integration FAQs

What was announced?

Innoviva and Entasis have signed an agreement for Innoviva to acquire Entasis for \$2.20 per share. Innoviva was already a large shareholder in Entasis, and we have now announced our agreement with Entasis to purchase the remaining outstanding shares and become the only owner.

Who is Innoviva?

Innoviva is a large, stable, well-capitalized company supported by long-term royalty cash flows. We are a 20-year-old, \$~1.2bn market value public company with a history of successful drug development and commercialization. We have had revenues of \$300-400m a year over the past 5 years, growing at a double-digit rate, and expect similar royalty revenues in the future. Our royalty products are best-in-class drugs for asthma and COPD (Breo, Anoro, Trelegy) that were originally developed by us and later partnered with GSK.

Why is Innoviva interested in acquiring Entasis?

We are excited about what you have already accomplished and want to increase our support. Entasis will be a critical building block for Innoviva's long-term strategy to bring the most innovative medicines to patients in overlooked areas with significant unmet medical need. Innoviva shares your belief in novel infectious disease therapies as a critical area of innovation and value to patients, the healthcare system, and shareholders.

What does this announcement mean to me?

You will continue to be employed by Entasis on the basis of your existing terms and conditions of employment, and the two companies will continue to operate independently in the near term. The deal is expected to close in approximately 6-8 weeks, subject primarily to shareholder support. The treatment of existing Restricted Stock Units ("RSUs") and stock options in Entasis is discussed below. After the closing, we expect to put additional long-term equity incentive programs in place.

To whom do I report now?

Until closing, there will be no change in the Entasis organization and reporting structure. Integration details will be developed and communicated over the coming weeks and months. Between now and the closing of the transaction, Entasis should continue its day-to-day business operation as usual, and Innoviva and Entasis will continue to operate as separate companies. We encourage you to continue doing exactly what you've been doing – building a tremendous company with incredible potential.

How should Entasis and Innoviva employees interact between now and when the deal closes?

Between now and the closing of the transaction, Innoviva and Entasis will continue to operate as separate companies. Integration planning will begin between now and the closing date and we expect that it will be a smooth transition with limited impact on the day-to-day operations.

What will happen to the Entasis operations?

We expect that core activities will continue largely as is.

Will Entasis employees have to move into Innoviva offices?

There are no anticipated plans to make changes to your office environment.

Where do we go if we have questions about Innoviva?

Key Innoviva executives and board members will visit over the coming weeks to tell you more about Innoviva and to answer as many of your questions as they can. Remote employees will have an opportunity to call in.

Upon closing the acquisition, we will communicate with you in person and by email to provide resources; in the meantime please direct any questions you have related to the acquisition or Innoviva to your manager or to integration@inva.com or directly to Austin Hackett (Austin.Hackett@inva.com) who will be leading the effort at Innoviva.

Rest assured that your questions are very important to us, yet it is also important that we answer your questions accurately and within legal guidelines, so some answers may take longer than others.

What's next?

The Innoviva and Entasis leadership teams will ensure all required activities are managed appropriately to achieve the close of the deal, targeted for 6-8 weeks from now, subject to shareholder support.

Most operations will continue unchanged after close; we want you to continue achieving all the great milestones you've been working on, it's why we are acquiring Entasis!

During the period prior to closing, we will assess whether any changes will be necessary to ensure the companies can operate together in an effective manner. For example, some accounting processes may require integration. You will be contacted if your support is needed in any of these integration projects. We believe that most functions will not require integration. Our goal is to minimize any distractions for you.

How can I help with the transition?

Maintaining the quality levels and business objectives of which both companies are proud is very important to the smooth transition. A major event like this acquisition can cause disruption and concern for everyone involved. We believe that combining the resources, capabilities, and talent of the two companies will enable us to build a bright future for all. Remaining focused on your work will help us all have a smoother transition.

BENEFITS AND HUMAN RESOURCES FAQs

What will happen to my current benefits after the close date?

We expect that your Entasis compensation and benefits will stay as they are.

What will happen to my pay?

You will remain on your existing terms and conditions of employment with Entasis.

How will Entasis' stock programs be handled through the transition?

Entasis (ETTX) RSUs will be exchanged for Innoviva (INVA) RSUs of the same value based on the relative 10-day weighted average share price of Innoviva as compared to the transaction price of \$2.20 per share of Entasis stock.

Stock options with intrinsic value ("in-the-money") will become fully vested and cashed out, on the Close date. Underwater stock options will be cancelled.

Any Entasis employees with unvested RSUs at the time of Close will have their unvested balances translated to Innoviva stock at the rate described above. To sharpen focus on the key milestones you have in the coming months, Innoviva has decided to accelerate the vesting schedule of the RSUs that were issued in January of this year:

- 25% upon one year grant anniversary (January 2023)
- 50% upon the earlier of NDA approval or one year anniversary of closing
- 25% upon second grant anniversary (January 2024)

We also expect to put a new long-term program using Innoviva equity in place after closing.

What is the Innoviva review cycle for salary and performance?

It is Innoviva's intent to conduct performance reviews on a regular basis in line with your existing timing and process. Salary increase guidelines are structured in alignment with our pay for performance philosophy and market conditions.

Does Innoviva have a cash bonus program?

Yes, we expect your bonus program under Innoviva ownership will follow the same terms per your current contract with Entasis. In addition, all non-C-suite employees will receive additional cash bonus equal to 10% annual base pay upon FDA acceptance of the SUL-DUR NDA.

Will my job responsibilities change?

For most Entasis employees, there will be few, if any, changes in day-to-day responsibilities after the close.

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INNOVIVA

May 23, 2022 | Transaction discussion materials

Confidential

Who we are

Innoviva is a **25-year-old biopharma company** with a history of successful drug development and commercialization

We receive substantial **long-term royalty cash flows** that we deploy to support companies with innovative healthcare assets in areas with **significant unmet medical need**

Our **team has deep industry expertise** across investing, operations, strategy, finance, corporate governance, R&D / medical and commercial

Innoviva financial highlights



Today's speakers



George Bickerstaff
Innoviva Chairperson



Pavel Raifeld
Innoviva CEO

Questions you probably have

Why is Innoviva acquiring Entasis?

Infectious disease therapeutics are a core part of our long-term strategy

- We believe anti-infectives innovation is a critical priority for societal health as well an area with significant value creation potential

We are excited about the progress Entasis has made advancing your life-saving assets

- This acquisition allows us to more closely support and accelerate your work with additional resources

Entasis will be the cornerstone of our infectious disease strategy

- Your talent and operating platform will be the building block around which we can invest to create an industry-changing infectious disease company with therapies improving the lives of millions

What does this mean for me?

Keep doing what you're doing

- No changes to day-to-day operations before closing, and little to no disruption afterwards

No changes to compensation or benefits

- No plans to change current agreements on compensation, bonuses, and benefits under Innoviva
- In the money options will be cashed out and restricted stock units will convert to Innoviva shares

More support and resources

- We view this as a long-term partnership and are committed to making the necessary investments to bring Entasis products to the patients who need them the most

You will receive a FAQ document with more specific information on these topics

What's next?

We want to get to know you!

Over the coming weeks, we will be visiting Entasis to meet the teams, learn more about you and your organization, and hear your ideas on how we can work together most productively

Here are a few of the things you can expect to see from us:

In person 1:1 meetings between Innoviva and Entasis executives and managers to establish relationships, better understand your organization and how to plan for growth

Informal lunches / coffee chats to introduce ourselves and allow for questions and other discussion

Integration support as we will work with function leaders to support any necessary process transitions as a result of the change of ownership (e.g., accounting and reporting requirements)

Regular updates and communications to keep you in the loop on transaction progress

Ongoing question support and feedback channels throughout this process to identify and address any issues that may arise



Appendix

Innoviva overview

Company description

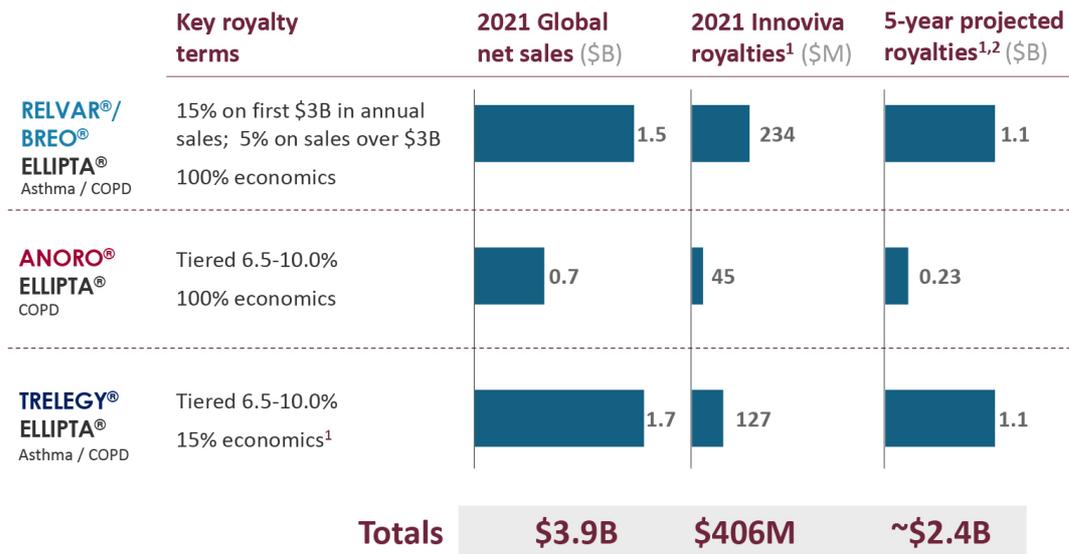
Diversified holding company with a portfolio of royalties and a growing portfolio of innovative healthcare investments and assets

- **Royalty portfolio** consists of respiratory products that were jointly developed with, and are licensed to, GSK and collectively make up the majority of GSK's leading respiratory franchise (RELVAR®/ BREO® ELLIPTA®, ANORO® ELLIPTA®, TRELEGY® ELLIPTA®)
- **Strategic healthcare investments** – investments in areas with high unmet medical need and significant long-term value creation potential

Company highlights

-  1 **Strongly cashflow-generative, diversified and durable core royalty business**
-  2 **Deep and proven healthcare expertise across governance, strategy, R&D, finance, and operations**
-  3 **Thoughtful, robust approach to capital deployment with long-term horizon**
-  4 **Strong track record of growth and unrelenting value creation focus**
-  5 **Efficient and flexible platform enabling meaningful, sustainable value generation**

Innoviva has a valuable royalty portfolio comprised of robust, durable revenues stemming from widely used respiratory therapies commercialized by GSK



1 – Trelegy royalties are assigned to Theravance Respiratory Company LLC, a subsidiary of Innoviva, where Theravance Biopharma holds 85% economic interest; 100% royalty economics shown
 2 – Projections per analyst consensus on GSK forecast website accessed March 28, 2022; GBP converted to USD using March 28 exchange rate of \$1.31; 2022-2026E royalties shown

Relvar / Breo detail: First once-daily inhaled corticosteroid / long-acting beta-agonist for asthma and chronic obstructive pulmonary disease

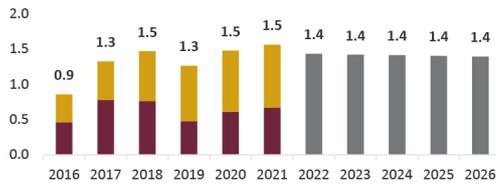
RELVAR® / BREO®
ELLIPTA®
 (fluticasone furoate 100 mcg and vilanterol 25 mcg inhalation powder)



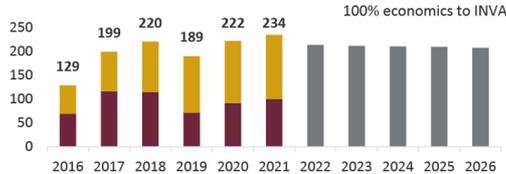
Indications (US)

- Long-term, once-daily, maintenance treatment of airflow obstruction and reducing exacerbations in patients with COPD
- Once-daily treatment of asthma in patients aged 18 years and older

Net global sales (\$B) ■ US ■ Ex-US ■ Consensus¹



Implied royalties (\$M)



- Launched in 2013 as first and only once-daily ICS / LABA in the U.S.
- Relvar / Breo delivers superior, lasting proactive asthma control, with simple once-daily dosing in an easy-to-use device
- Historical resilience in a competitive, volatile environment supported by positive demographic trends

¹ – Projections per analyst consensus on GSK forecast website accessed March 28, 2022; GBP converted to USD using March 28 exchange rate of \$1.31

Anoro detail: Best-in-class long-acting beta-agonist / long-acting muscarinic antagonist for COPD

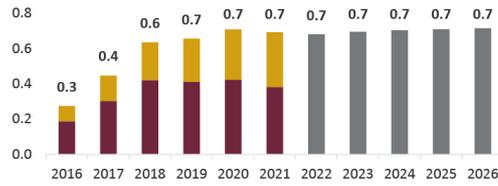
ANORO®
ELLIPTA®
 (umeclidinium 62.5 mcg and vilanterol 25 mcg inhalation powder)



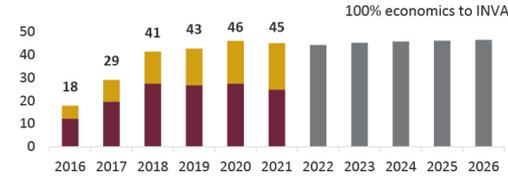
Indications (US)

- Long-term, once-daily, maintenance treatment of airflow obstruction and reducing exacerbations in patients with COPD

Net global sales (\$B) ■ US ■ Ex-US ■ Consensus¹



Implied royalties (\$M)



- Launched in 2014 as first-in-class LABA / LAMA single inhaler product in the U.S.
- ANORO delivers superior lung function improvement vs common initial maintenance therapy options²
- Class leader in the U.S. due to clear differentiation
- Long-term prospects supported by positive demographics

1 – Projections per analyst consensus on GSK forecast website accessed March 28, 2022; GBP converted to USD using March 28 exchange rate of \$1.31
 2 – Superior improvement in lung function has been demonstrated in clinical trials of ANORO vs. Tiotropium (LAMA) and Spiolto (LAMA/LABA)

Trelegy detail: First 3-in-1 inhaled corticosteroid / long-acting beta-agonist / long-acting muscarinic antagonist for COPD and asthma

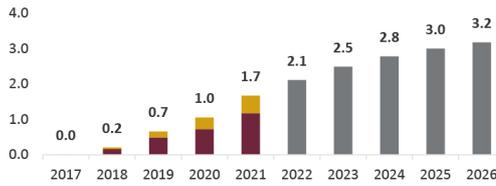
TRELEGY®
ELLIPTA®
 (fluticasone furoate 100 mcg, umeclidinium 62.5 mcg and vilanterol 25 mcg inhalation powder)



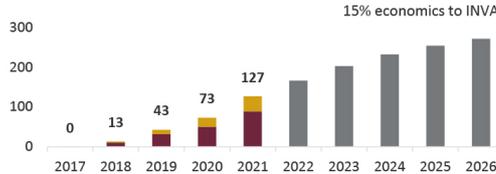
Indications (US)

- Long-term, once-daily, maintenance treatment of patients with COPD, including chronic bronchitis and/or emphysema
- Once-daily treatment of asthma in patients aged 18 years and older

Net global sales (\$B) ■ US ■ Ex-US ■ Consensus¹



Implied royalties (\$M) 15% economics to INVA³



- Launched in 2017 as first-in-class ICS / LABA / LAMA single inhaler product in the U.S.
- Trelegy demonstrated superior efficacy in clinical trials for COPD vs double combination drug classes²
- Strong growth driven by demographic tailwinds, increasing class adoption, and share increase across geographies

1 – Projections per analyst consensus on GSK forecast website accessed March 28, 2022; GBP converted to USD using March 28 exchange rate of \$1.31
 2 – FULFIL trial vs. Symbicort (ICS/LABA), IMPACT study vs. ICS/LABA and LAMA/LABA
 3 – Trelegy royalties are assigned to Theravance Respiratory Company LLC, a subsidiary of Innovva, where Theravance Biopharma holds 85% economic interest; 100% royalty economics shown

Innoviva's management and board

Innoviva Team

- World-class expertise
- Unique and complementary skill sets
- Strong value creation focus
- Proven track record of success

			Relevant experience
Management Team	Pavel Raifeld, CFA, Chief Executive Officer	Experienced finance and life sciences professional; formerly with Sarissa Capital, Credit Suisse, McKinsey and BCG	   
	Marianne Zhen, CPA, Chief Accounting Officer	Experienced finance professional with over 20 years in accounting and strategic operations	  
Board of Directors	George Bickerstaff, Chairperson	Managing Director at M.M. Dillon & Co.; former CFO of Novartis Pharma AG and IMS Health; director at CareDx	   
	Deborah L. Birx, M.D. <i>Joined in 2021</i>	Physician-scientist and healthcare leader; former response coordinator of The White House Coronavirus Task Force	  
	Mark DiPaolo, Esq.	Senior Partner and General Counsel at Sarissa Capital; former senior member Icahn Capital's investment team	 
	Jules Haimovitz	Founder, executive, and director of multiple companies in life sciences and entertainment; former director of Ariad Pharma	  
	Odysseas Kostas, M.D.	Senior Managing Director at Sarissa Capital; former life sciences analyst at Evercore ISI and practicing physician	 
	Sarah J. Schlesinger, M.D.	Professor at Rockefeller University with governance and clinical / medical expertise; former director of The Medicines Company and Ariad Pharma	  

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Key messages for Project Elephant Day 1 communications

Who is Innoviva?

Innoviva is a large, stable, well-capitalized company supported by long-term royalty cash flows

- We are a 20-year-old, \$~1.5bn market value public company with a history of successful drug development and commercialization
- We have had revenues of \$300-400m a year over the past 5 years, growing at a double-digit rate
- Our royalty products are best-in-class drugs for asthma and COPD (Breo, Anoro, Trelegy) that were originally developed by us and later partnered with GSK

Innoviva leverages its world-class industry and functional expertise to deploy capital in support of innovative companies and products that are addressing critical unmet medical needs

- Innoviva has a highly professional team with capabilities across healthcare investing, strategy, governance, development, commercial, and public health
- Over the past two years we have made investments into a range of therapeutic and other biotech companies driving exciting innovations
- We take long-term views and are not afraid to be contrarian, and we see ourselves as long-term partners providing financial and other support for all of our investments

Why is Innoviva acquiring Entasis?

The infectious disease space is a core focus of Innoviva's long-term strategy

- We identified infectious disease as a great opportunity for two reasons:
 - First, anti-infectives innovation is one of the most important priorities for global health and societal well-being in the long run
 - Second, we believe players in the industry can create significant value for shareholders – and employees – if managed with the appropriate capital investments and long-term vision
- We believe creating a company with the appropriate resources and scale to successfully bring novel therapies in infectious disease to patients will create enormous societal and financial value
- Over the past years we have made significant investments in Entasis and Armata as our first steps in this space – and we are ready to accelerate our progress

Entasis is the first critical building block of our infectious disease strategy

- Innoviva is a lean company with a healthy balance sheet and limited overhead.
 - We have been a key supporter of Entasis since our original investment over two years ago and have funded Entasis several times since. We think the Entasis team has done an excellent job advancing its assets and are proud of the progress to date
 - We are committed to making the requisite investments to ensure that Entasis products are successful and that you can continue great work with clear support from us
-

What does this mean for Entasis employees?

Keep doing what you're doing

- We are acquiring Entasis to support the work you are *already* doing, not to make any dramatic changes
- We expect the deal to close in 6-8 weeks; until then there are *no changes at all* to your responsibilities, reporting structures, or existing operations
- Moving forward we anticipate Entasis will continue key operations largely as they are today

We believe in compensating people well for good work, and we expect to keep all core compensation arrangements and benefits in place (in fact, enhancing some of them), and we plan to put additional programs in place after closing

- All current key agreements on compensation, bonuses, and benefits expected to remain the same under Innoviva
- We plan for an additional 10% base salary payout to all non-C-suite employees upon FDA acceptance of the SUL-DUR NDA
- Underwater options (those with a strike price above current share price) to be cancelled, in-the-money options (strike price above current share price) to be cashed out at deal closing
- Restricted Stock Unit (RSU) vesting to be accelerated and transitioned to RSUs of Innoviva shares of equivalent value

What happens next?

We want to get to know you!

- Over the next weeks and beyond, our team members will be visiting Entasis to get to know all of you and better understand your organization and current operations – and what we can do to build on and accelerate progress within the organization
- We are excited to meet each of you and talk to you about how we can best work together to accomplish our goals and help Entasis make a difference for patients

Some functions and processes will need to be integrated with Innoviva

- Between now and the closing date, some work is needed to prepare to integrate the processes that have to change with the transition of ownership (e.g., accounting, reporting)
- You will be contacted if your help is needed and will work with the support of our Integration Management Office to ensure that everything transitions smoothly on Closing Day and beyond
- We anticipate these changes to be minimally disruptive to any ongoing operations (and hopefully only make things easier for you)

(For Entasis executives / managers): How do I talk to my teams about this?

Be positive

- Express excitement and enthusiasm about the deal. We certainly are excited and enthusiastic.
- Emphasize the benefits of partnering with a company that has long-term stable cash flows to support Entasis without the distraction of the markets and constant fundraising and wants to make Entasis the cornerstone of its operating platform
- Talk about the shared commitment to the goal of bringing Entasis's therapies to the patients who need them the most

Direct teams to prepared resources

- Innoviva will be distributing materials including a FAQ sheet
- If new questions arise that aren't covered in the existing materials, direct them to contact Austin Hackett (austin.hackett@inva.com) who will be overseeing the integration efforts

Important Information about the Tender Offer

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Dear Entasis team,

I am excited to share that today we announced that Innoviva has agreed to acquire Entasis.

[link to the press release]

Since our original investment into Entasis over two years ago, we have been impressed and inspired by the talent at Entasis and your progress in developing innovative anti-infective treatments for patients with critical unmet medical needs.

Bringing new infectious disease therapeutics to market is a core part of our long-term strategy at Innoviva – just as it is at Entasis – and we want Entasis to be the cornerstone of that effort. I am confident that combining Entasis’s superb platform, energy, and talent with Innoviva’s ample resources and capabilities will meaningfully accelerate progress toward our shared goal of providing significant benefits for patients, team members, and shareholders.

The transaction is an important milestone for both of our companies, and I am sure you have many questions about what this means for Entasis and for each of you individually. We invite you to join us at a company-wide town hall meeting today at [details] where we will introduce Innoviva, share vision for this new partnership and answer the questions you may have.

I look forward to meeting you all soon and to working together in this new phase of our companies.

Sincerely,

Pavel Raifeld

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