



## Innoviva Reports First Quarter 2026 Financial Results; Highlights Recent Company Progress

May 6, 2026

*Generated \$58.6 million in revenue from resilient royalties portfolio*

*Achieved IST U.S. net product sales of \$34.2 million for the first quarter, representing 29% year-over-year growth*

*Significant value created across strategic healthcare asset portfolio*

BURLINGAME, Calif.--(BUSINESS WIRE)--May 6, 2026-- Innoviva, Inc. (NASDAQ: INVA) ("Innoviva" or the "Company"), a diversified biopharmaceutical company with a core royalties portfolio, a leading critical care and infectious disease platform known as Innoviva Specialty Therapeutics ("IST"), and a portfolio of strategic investments in healthcare assets, today reported financial results for the first quarter ended March 31, 2026, and highlighted select corporate progress and achievements.

"We delivered a strong start to 2026, driven by the resilience of our royalty portfolio, continued excellent commercial progress at IST, and meaningful value creation across our strategic healthcare assets," said Pavel Raifeld, Chief Executive Officer of Innoviva. "IST achieved 37% year-over-year net product sales growth in the first quarter of 2026, including 29% growth in U.S. sales."

"We also remained active in executing our capital allocation priorities, including increased activity under our \$125 million share repurchase program, underscoring our confidence in Innoviva's long-term value proposition. Innoviva's strong track record across its operating and strategic healthcare assets, coupled with significant cash resources and durable royalty inflows, positions us well for accretive capital deployment and long-term shareholder value creation throughout variable market environments," concluded Mr. Raifeld.

### Financial Highlights for the First Quarter of 2026

- **Total revenue:** \$98.0 million, yielding 11% growth compared to \$88.6 million for the first quarter 2025.
- **Royalty revenue:** gross royalty revenue from Glaxo Group Limited ("GSK") was \$58.6 million, compared to \$61.3 million for the first quarter 2025.
- **Net product sales:** \$41.4 million (\$34.2 million U.S. and \$7.2 million ex-US), representing 37% growth compared to \$30.3 million in the same quarter of 2025. U.S. net product sales primarily consisted of \$19.7 million from GIAPREZA<sup>®</sup>, \$11.6 million from XACDURO<sup>®</sup>, and \$2.5 million from XERAVA<sup>®</sup>.
- **Income from operations:** \$38.2 million, compared to \$41.4 million for the first quarter 2025, reflecting continued investment in commercial activities, as well as product and business development.
- **Equity and long-term investments:** net favorable changes in fair value of equity and long-term investments totaled \$191.2 million, primarily attributable to share price appreciation of Armata Pharmaceuticals. Innoviva's strategic healthcare investments were valued at \$773.3 million as of March 31, 2026, and consisted of \$603.4 million in Armata Pharmaceuticals, \$138.2 million in other strategic equity and convertible debt, and \$31.7 million held by ISP Fund.
- **Net income:** \$186.6 million (\$2.52 basic earnings per share) was driven primarily by higher revenue and the positive impact of changes in the fair values of equity and long-term investments.
- **Cash and cash equivalents:** Totaled \$603.1 million. Royalty and net product sales receivables totaled \$92.6 million as of March 31, 2026.

### Key Business and R&D Highlights

- **NUZOLVENCE<sup>®</sup> (zolidnadacin):** a first-in-class, single-dose oral medication for the treatment of uncomplicated urogenital gonorrhea due to *Neisseria gonorrhoeae* in adults and pediatric patients 12 years and older weighing at least 35kg, developed in partnership with The Global Antibiotic Research & Development Partnership ("GARDP").
  - In December 2025, IST received U.S. Food and Drug Administration (FDA) approval of NUZOLVENCE<sup>®</sup>, one of the first new treatments approved by the FDA for uncomplicated urogenital gonorrhea in nearly two decades.
  - The Company remains on track to make NUZOLVENCE<sup>®</sup> available to patients in the second half of 2026.
- **Strategic healthcare assets**
  - Innoviva's strategic healthcare asset portfolio experienced meaningful growth this quarter, including notable value crystallization at Armata Pharmaceuticals. Innoviva remains focused on disciplined capital deployment across healthcare opportunities where it believes its strategic perspective and operating experience can support long-term sustained returns.
- **Capital Allocation**
  - During the first quarter of 2026, Innoviva repurchased 971,066 shares for \$20.4 million under its \$125 million share repurchase program. Since inception, and through the end of this quarter, the Company has repurchased 1,198,921 shares for \$25.0 million, reflecting the Company's continued confidence in its intrinsic value and long-term outlook.

### About Innoviva

Innoviva is a diversified biopharmaceutical company with a core royalties portfolio, a leading critical care and infectious disease platform known as Innoviva Specialty Therapeutics (“IST”), and a portfolio of strategic investments in healthcare assets. Innoviva’s royalty portfolio includes respiratory assets partnered with Glaxo Group Limited (“GSK”). Innoviva is entitled to receive royalties from GSK on sales of RELVAR<sup>®</sup>/BREO<sup>®</sup> ELLIPTA<sup>®</sup> and ANORO<sup>®</sup> ELLIPTA<sup>®</sup>. Innoviva’s critical care and infectious disease assets under the IST platform include GIAPREZA<sup>®</sup> (angiotensin II) for increasing blood pressure in adults with septic or other distributive shock, XACDURO<sup>®</sup> (sulbactam for injection; durlobactam for injection), co-packaged for intravenous use for the treatment of adults with hospital-acquired and ventilator-associated bacterial pneumonia caused by susceptible strains of *Acinetobacter baumannii-calcoaceticus*, XERAVA<sup>®</sup> (eravacycline) for the treatment of complicated intra-abdominal infections in adults, ZEVTERA (ceftibiprole), an advanced-generation cephalosporin antibiotic licensed from Basilea Pharmaceutica International Ltd, Allschwil, and NUZOLVENCE<sup>®</sup> (zofluplodacin), approved by the FDA for the oral treatment of uncomplicated urogenital gonorrhoea in adults and pediatric patients 12 years of age and older weighing at least 35 kg. For more information about Innoviva, go to [www.inva.com](http://www.inva.com). For information about Innoviva Specialty Therapeutics, go to [www.innovivaspecialtytherapeutics.com](http://www.innovivaspecialtytherapeutics.com).

ANORO<sup>®</sup>, RELVAR<sup>®</sup> and BREO<sup>®</sup> are trademarks of the GSK group of companies. ZEVTERA is a trademark of Basilea Pharmaceutica Ltd, Allschwil.

## 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<sup>®</sup>/BREO<sup>®</sup> ELLIPTA<sup>®</sup>, ANORO<sup>®</sup> ELLIPTA<sup>®</sup>, GIAPREZA<sup>®</sup>, XERAVA<sup>®</sup>, XACDURO<sup>®</sup>, ZEVTERA<sup>®</sup> and NUZOLVENCE<sup>®</sup> 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); the timing, manner, and amount of potential capital returns to shareholders; the development of the LYNX<sup>®</sup> platform; 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 timing, manner and amount of capital deployment, including potential capital returns to stockholders; and risks related to the Company’s growth strategy. 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, 2025 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](http://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.

INNOVIVA, INC.  
Condensed Consolidated Statements of Income  
(in thousands, except per share data)  
(Unaudited)

|   | Three Months Ended |           |
|---|--------------------|-----------|
|   | March 31,          |           |
|   | 2026               | 2025      |
| Revenue:  |                    |           |
| Royalty revenue, net (1)  | \$ 55,167          | \$ 57,807 |
| Net product sales   | 41,371             | 30,279    |
| License and other revenue   | 1,456              | 546       |
| Total revenue   | 97,994             | 88,632    |
| Cost of products sold (inclusive of amortization of inventory fair value adjustments) | 15,607             | 8,842     |
| Amortization of acquired intangible assets  | 6,554              | 6,475     |
| Gross profit  | 75,833             | 73,315    |
| Operating expenses:   |                    |           |
| Selling, general and administrative   | 32,438             | 27,491    |
| Research and development  | 5,241              | 4,396     |
| Total operating expenses  | 37,679             | 31,887    |
| Income from operations  | 38,154             | 41,428    |
| Changes in fair values of equity method investments, net                              | 157,650            | (13,549)  |
| Changes in fair values of equity and long-term investments, net                       | 33,575             | (65,299)  |
| Interest and dividend income  | 10,987             | 4,538     |
| Interest expense  | (5,437)            | (4,711)   |

|                                   |                   |                    |
|-----------------------------------|-------------------|--------------------|
| Other expense, net                | (366)             | (996)              |
| Income (loss) before income taxes | 234,563           | (38,589)           |
| Income tax expense                | (47,968)          | (7,995)            |
| Net income (loss)                 | <u>\$ 186,595</u> | <u>\$ (46,584)</u> |

Net income (loss) per share:

|         |         |           |
|---------|---------|-----------|
| Basic   | \$ 2.52 | \$ (0.74) |
| Diluted | \$ 2.22 | \$ (0.74) |

Shares used to compute net income (loss) per share:

|         |        |        |
|---------|--------|--------|
| Basic   | 74,160 | 62,709 |
| Diluted | 84,849 | 62,709 |

(1) Total net revenue is comprised of the following (in thousands):

|                                  | Three Months Ended |                  |
|----------------------------------|--------------------|------------------|
|                                  | March 31,          |                  |
|                                  | 2026               | 2025             |
|                                  | (unaudited)        |                  |
| Royalties                        | \$ 58,623          | \$ 61,263        |
| Amortization of capitalized fees | (3,456)            | (3,456)          |
| Royalty revenue, net             | <u>\$ 55,167</u>   | <u>\$ 57,807</u> |

INNOVIVA, INC.  
Condensed Consolidated Balance Sheets  
(in thousands)  
(unaudited)

|  | March 31,           | December 31,        |
|--|---------------------|---------------------|
|  | 2026                | 2025                |
| <b>Assets</b>                                      |                     |                     |
| Cash and cash equivalents                          | \$ 603,085          | \$ 550,941          |
| Royalty and product sale receivables               | 92,628              | 93,317              |
| Inventory  | 38,843              | 39,172              |
| Prepaid expense and other current assets           | 29,221              | 28,358              |
| Current portion of ISP Fund investments            | 8,846               | 15,727              |
| Property and equipment, net                        | 2,142               | 1,555               |
| Equity method and equity and long-term investments | 764,454             | 598,223             |
| Capitalized fees                                   | 52,682              | 56,138              |
| Right-of-use assets                                | 10,652              | 10,929              |
| Goodwill   | 17,905              | 17,905              |
| Intangible assets                                  | 175,602             | 182,156             |
| Other assets                                       | 40,527              | 40,744              |
| Total assets                                       | <u>\$ 1,836,587</u> | <u>\$ 1,635,165</u> |
| <b>Liabilities and stockholders' equity</b>        |                     |                     |
| Other current liabilities                          | \$ 32,650           | \$ 43,808           |
| Accrued interest payable                           | 231                 | 1,618               |
| Deferred revenue                                   | 3,677               | 4,270               |
| Convertible senior notes, due 2028, net            | 258,095             | 257,731             |
| Deferred tax liabilities, net                      | 72,831              | 31,793              |
| Income tax payable, long term                      | 58,345              | 57,013              |
| Other long term liabilities                        | 69,103              | 66,091              |
| Stockholders' equity                               | 1,341,655           | 1,172,841           |
| Total liabilities and stockholders' equity         | <u>\$ 1,836,587</u> | <u>\$ 1,635,165</u> |

Cash Flows Summary  
(in thousands)  
(unaudited)

|   | Three Months Ended March 31, |            |
|---|------------------------------|------------|
|   | 2026                         | 2025       |
| Net cash provided by operating activities           | \$ 35,282                    | \$ 48,617  |
| Net cash provided by (used in) investing activities | 37,008                       | (34,674)   |
| Net cash provided by (used in) financing activities | (20,146)                     | 183        |
| Net change  | \$ 52,144                    | \$ 14,126  |
| Cash and cash equivalents at beginning of period    | 550,941                      | 304,964    |
| Cash and cash equivalents at end of period          | \$ 603,085                   | \$ 319,090 |

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Source: Innoviva, Inc.