



Theravance Biopharma Announces Sale of VIBATIV® (telavancin) to Cumberland Pharmaceuticals

November 6, 2018

DUBLIN, Nov. 6, 2018 /PRNewswire/ -- Theravance Biopharma, Inc. (NASDAQ: TBPH) ("Theravance Biopharma" or the "Company") today announced the sale of its proprietary antibiotic, VIBATIV® (telavancin), to Cumberland Pharmaceuticals, Inc. (NASDAQ: CPIX), a specialty pharmaceutical company focused on the delivery of high-quality prescription brands to improve patient care. Under the terms of the agreement, Cumberland will pay Theravance Biopharma a total of \$25 million and tiered royalties of up to 20% on future US net product sales.



VIBATIV is a once-daily, injectable lipoglycopeptide antibiotic approved in the US for the treatment of adult patients with hospital-acquired and ventilator-associated bacterial pneumonia (HABP/VABP) caused by susceptible isolates of *S. aureus* when alternative treatments are not suitable. In addition, VIBATIV is approved in the US for the treatment of adult patients with complicated skin & skin structure infections (cSSSI) caused by susceptible isolates of Gram-positive bacteria, including *S. aureus*, both methicillin-susceptible (MSSA) and methicillin-resistant (MRSA) strains. The product labeling also describes the use of VIBATIV in treating patients whose pneumonia or skin infection is complicated by concurrent bacteremia.

"This transaction with Cumberland Pharmaceuticals allows Theravance Biopharma to sharpen our focus on our most important strategic priorities, including preparations for the potential launch of YUPELRI™ (revelfenacin) in COPD, if approved, plus executing on key pipeline programs," stated Rick E. Winningham, chairman and chief executive officer at Theravance Biopharma. "VIBATIV plays an important role in the growing global battle against antibiotic resistance. As we continue our focus on important programs outside of the anti-infectives market, we determined that the product could be best supported by another party. We believe that Cumberland's track record of successfully marketing and selling hospital-based products combined with VIBATIV's existing base of hospital formulary inclusions positions them to drive commercial success for VIBATIV as a flagship product and ensures the important therapeutic benefits of VIBATIV reach as many patients as possible."

"VIBATIV is a lifesaving treatment for certain difficult to treat infections, and we are honored to be selected to acquire and transition the brand to our existing hospital acute care infrastructure," said A.J. Kazimi, chief executive officer of Cumberland Pharmaceuticals. "Our immediate plan for VIBATIV is to ensure a smooth transition of the product supply and medical support to current users of the brand. We will then launch our hospital promotion and medical initiatives to help ensure that the product is available to the patients who need it. We are very optimistic about the opportunity that VIBATIV will offer Cumberland."

The transaction is expected to close in mid-November, pending satisfaction of customary closing conditions.

Theravance Biopharma will provide additional remarks on its previously-scheduled third quarter 2018 earnings call today at 5:00pm ET, and call information is available [here](#).

About VIBATIV®(telavancin)

VIBATIV® was discovered internally in a research program dedicated to finding new antibiotics for serious infections due to *Staphylococcus aureus*(*S. aureus*) and other Gram-positive bacteria, including MRSA and MSSA. VIBATIV is a once-daily, injectable lipoglycopeptide antibiotic with *in vitro* potency, bactericidal activity within six hours, and penetration into target infection sites. The drug is approved in the U.S. for the treatment of adult patients with hospital-acquired and ventilator-associated bacterial pneumonia (HABP/VABP) caused by susceptible isolates of *S. aureus* when alternative treatments are not suitable. In addition, VIBATIV is approved in the U.S. for the treatment of adult patients with complicated skin & skin structure infections (cSSSI) caused by susceptible isolates of Gram-positive bacteria, including *S. aureus*, both methicillin-susceptible (MSSA) and methicillin-resistant (MRSA) strains. The product labeling also describes the use of VIBATIV in treating patients whose pneumonia or skin infection is complicated by concurrent bacteremia.

The product's proven efficacy against difficult-to-treat Gram-positive infections has been demonstrated in several large, multinational registrational studies, which involved one of the largest cohorts of patients with *S. aureus* infections studied to date. Importantly, these studies demonstrated significantly higher cure rates for VIBATIV as compared to vancomycin in HABP/VABP due to any single Gram-positive pathogen or *S. aureus* with vancomycin MIC ≥ 1 $\mu\text{g/mL}$. Additionally, there is extensive and well-documented evidence of the drug's *in vitro* potency and *in vivo* activity against a broad collection of Gram-positive bacterial pathogens, including those that are considered difficult-to-treat and multidrug-resistant.

VIBATIV is also approved for marketing in Canada, Russia and Israel.

VIBATIV®(telavancin) Important Safety Information

Mortality

Patients with pre-existing moderate/severe renal impairment (CrCl ≤ 50 mL/min) who were treated with VIBATIV for hospital-acquired bacterial pneumonia/ventilator-associated bacterial pneumonia had increased mortality observed versus vancomycin. Use of VIBATIV in patients with

pre-existing moderate/severe renal impairment (CrCl \leq 50 mL/min) should be considered only when the anticipated benefit to the patient outweighs the potential risk.

Nephrotoxicity

New onset or worsening renal impairment occurred in patients who received VIBATIV. Renal adverse events were more likely to occur in patients with baseline comorbidities known to predispose patients to kidney dysfunction and in patients who received concomitant medications known to affect kidney function. Monitor renal function in all patients receiving VIBATIV prior to initiation of treatment, during treatment, and at the end of therapy. If renal function decreases, the benefit of continuing VIBATIV versus discontinuing and initiating therapy with an alternative agent should be assessed.

Fetal Risk

Women of childbearing potential should have a serum pregnancy test prior to administration of VIBATIV. Avoid use of VIBATIV during pregnancy unless the potential benefit to the patient outweighs the potential risk to the fetus. Adverse developmental outcomes observed in three animal species at clinically relevant doses raise concerns about potential adverse developmental outcomes in humans. If not already pregnant, women of childbearing potential should use effective contraception during VIBATIV treatment.

Contraindication

Intravenous unfractionated heparin sodium is contraindicated with VIBATIV administration due to artificially prolonged activated partial thromboplastin time (aPTT) test results for up to 18 hours after VIBATIV administration.

VIBATIV is contraindicated in patients with a known hypersensitivity to the drug.

Hypersensitivity Reactions

Serious and potentially fatal hypersensitivity reactions, including anaphylactic reactions, may occur after first or subsequent doses. VIBATIV should be used with caution in patients with known hypersensitivity to vancomycin.

Geriatric Use

Telavancin is substantially excreted by the kidney, and the risk of adverse reactions may be greater in patients with impaired renal function. Because elderly patients are more likely to have decreased renal function, care should be taken in dose selection in this age group.

Infusion Related Reactions

VIBATIV is a lipoglycopeptide antibacterial agent and should be administered over a period of 60 minutes to reduce the risk of infusion-related reactions. Rapid intravenous infusions of the glycopeptide class of antimicrobial agents can cause "Red-man Syndrome" like reactions including: flushing of the upper body, urticaria, pruritus, or rash.

QTc Prolongation

Caution is warranted when prescribing VIBATIV to patients taking drugs known to prolong the QT interval. In a study involving healthy volunteers, VIBATIV prolonged the QTc interval. Use of VIBATIV should be avoided in patients with congenital long QT syndrome, known prolongation of the QTc interval, uncompensated heart failure, or severe left ventricular hypertrophy.

Most Common Adverse Reactions

The most common adverse reactions (greater than or equal to 10% of patients treated with VIBATIV) were diarrhea, taste disturbance, nausea, vomiting, and foamy urine.

Full Prescribing Information, including Boxed Warning and Medication Guide in the U.S., is available at www.VIBATIV.com.

About Cumberland Pharmaceuticals Inc.

Cumberland Pharmaceuticals Inc. is a specialty pharmaceutical company focused on the delivery of high-quality prescription brands to improve patient care. The Company develops, acquires, and commercializes brands for the hospital acute care, gastroenterology, and oncology market segments.

For more information, please visit www.cumberlandpharma.com.

About Theravance Biopharma

Theravance Biopharma, Inc. ("Theravance Biopharma") is a diversified biopharmaceutical company with the core purpose of creating medicines that help improve the lives of patients suffering from serious illness.

In our relentless pursuit of this objective, we strive to apply insight and innovation at each stage of our business, including research, development and commercialization, and utilize both internal capabilities and those of partners around the world. Our research efforts are focused in the areas of inflammation and immunology. Our research goal is to design localized medicines that target diseased tissues, without systemic exposure, in order to maximize patient benefit and minimize risk. These efforts leverage years of experience in developing localized medicines for the lungs to treat respiratory disease. The first potential medicine to emerge from our research focus on immunology and localized treatments is an oral, gut-selective pan-Janus kinase (JAK) inhibitor, currently in development to treat a range of inflammatory intestinal diseases. Our pipeline of internally discovered product candidates will continue to evolve with the goal of creating transformational medicines to address the significant needs of patients.

In addition, we have an economic interest in future payments that may be made by Glaxo Group or one of its affiliates (GSK) pursuant to its agreements with Innoviva, Inc. relating to certain programs, including Trelegy Ellipta.

For more information, please visit www.theravance.com.

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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, expectations and future events. Theravance Biopharma 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. Examples of such statements include statements relating to: the expected closing date for the sale of VIBATIV, the Company's strategies, plans and objectives, the Company's regulatory strategies and timing of clinical studies (including the data therefrom), the potential benefits and mechanisms of action of the Company's product and product candidates, the Company's expectations for product candidates through development, potential regulatory approval and commercialization (including their potential as components of combination therapies), product sales and the Company's expectations for its 2018 operating loss, excluding share-based compensation. These statements are based on the current estimates and assumptions of the management of Theravance Biopharma as of the date of the press release and the conference call and are subject to risks, uncertainties, changes in circumstances, assumptions and other factors that may cause the actual results of Theravance Biopharma 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: delays or difficulties in commencing, enrolling or completing clinical studies, the potential that results from clinical or non-clinical studies indicate the Company's product candidates are unsafe or ineffective (including when our product candidates are studied in combination with other compounds), risks that product candidates do not obtain approval from regulatory authorities, the feasibility of undertaking future clinical trials for our product candidates based on policies and feedback from regulatory authorities, dependence on third parties to conduct clinical studies, delays or failure to achieve and maintain regulatory approvals for product candidates, risks of collaborating with or relying on third parties to discover, develop, manufacture and commercialize products, and risks associated with establishing and maintaining sales, marketing and distribution capabilities with appropriate technical expertise and supporting infrastructure. Other risks affecting Theravance Biopharma are described under the heading "Risk Factors" contained in Theravance Biopharma's Form 10-Q filed with the Securities and Exchange Commission (SEC) on August 2, 2018 and Theravance Biopharma's other filings with the SEC. In addition to the risks described above and in Theravance Biopharma's filings with the SEC, other unknown or unpredictable factors also could affect Theravance Biopharma's 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. Theravance Biopharma assumes no obligation to update its forward-looking statements on account of new information, future events or otherwise, except as required by law.

Contact Information:

Alexander Dobbin
Head of Investor Relations
650-808-4045
investor.relations@theravance.com

Tim Brons
Vida Strategic Partners (Media)
646-319-8981
tbrons@vidasp.com

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