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): **February 26, 2024**

THERAVANCE BIOPHARMA, INC.
(Exact Name of Registrant as Specified in its Charter)

Cayman Islands	**001-36033**	**98-1226628**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

PO Box 309
Ugland House, South Church Street
George Town, Grand Cayman, Cayman Islands KY1-1104
(650) 808-6000
(Addresses, including zip code, and telephone numbers, including area code, of principal executive offices)

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
Ordinary Share $0.00001 Par Value	TBPH	NASDAQ Global 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 2.02. Results of Operations and Financial Condition.

On February 26, 2024, Theravance Biopharma, Inc. (the "Company") issued a press release and is holding a conference call regarding its financial results for the quarter and full year ended December 31, 2023 and a business update. A copy of the press release is furnished as Exhibit 99.1 to this Current Report and a copy of materials that will accompany the call is furnished as Exhibit 99.2 to this Current Report.

The information in Item 2.02 and in Item 9.01 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act of 1934"), or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1	Press Release dated February 26, 2024
99.2	Slide deck entitled Fourth Quarter & Full Year 2023 Financial Results and Business Update
104	Cover Page Interactive Data File (cover page XBRL tags embedded within the Inline XBRL document)

SIGNATURE

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

THERAVANCE BIOPHARMA, INC.

Date: February 26, 2024

By: /s/ Aziz Sawaf
Aziz Sawaf
Senior Vice President and Chief Financial Officer

Theravance Biopharma, Inc. Reports Fourth Quarter and Full Year 2023 Financial Results and Provides Business Update

- *Q4 2023 YUPELRI® (revefenacin) net sales, recognized by Viatris, increased 9% from Q4 2022, reaching an all-time high of $60.6 million[1]*
- *Full Year 2023 Viatris Collaboration Revenue increased 18% to $57.2 million*
- *GAAP Net Loss of $8.5 million in Q4; Achieved goal of profitability on Non-GAAP basis in Q4, with Non-GAAP Net Profit of $1.4 million[2]*
- *Completed $325 million capital return program, reducing shares outstanding by 37%*
- *Ampreloxetine investor event planned for Q2 2024*

DUBLIN, IRELAND – FEB 26, 2024 – Theravance Biopharma, Inc. ("Theravance Biopharma" or the "Company") (NASDAQ: TBPH) today announced financial and operational results for the fourth quarter of 2023 and full-year ended December 31, 2023.

"The Theravance team delivered a strong performance in 2023, having achieved our financial objectives in the fourth quarter and exceeded our aggressive annual goal for YUPELRI hospital growth," said Rick E Winningham, Chief Executive Officer. "We look forward to continuing YUPELRI net sales growth in 2024 and completing enrollment in the CYPRESS study in the second half of this year. Further, we are excited to host a virtual investor event in the second quarter, where both MSA thought leaders and members of Theravance's senior management team will review the science underpinning our expectation that ampreloxetine can provide clinical benefits in MSA patients with nOH."

2023 Year-End-Highlights

- In partnership with Viatris, increased year-over-year YUPELRI net sales by 9%, to $221 million, leading to continued product-level profit margin expansion throughout the year.
- Grew YUPELRI hospital volumes 46%, exceeding internal targets and leading to a meaningful contribution to overall net sales growth.
- Initiated ampreloxetine Phase 3 CYPRESS study in the first quarter and remain on track to enroll the last patient in the open label portion of the study by the second half of 2024.
- Granted Orphan Drug Designation from the FDA for ampreloxetine.
- GAAP Net Loss of $8.5 million in Q4; Achieved goal of profitability on Non-GAAP basis in Q4, with Non-GAAP Net Profit of $1.4 million[2], through a combination of YUPELRI growth and expense management.
- Completed $325 million capital return program in early January 2024.
- Added three new Board members, reflecting the Company's commitment to bringing new perspectives and complementary skills to the Company in order to maximize long-term shareholder value.

[1] In the US, Viatris is leading the commercialization of YUPELRI, and the Company co-promotes the product under a profit and loss sharing arrangement (65% to Viatris; 35% to the Company).

[2] Non-GAAP profit (loss) consists of GAAP net income (loss) before taxes less share-based compensation expense and non-cash interest expense. See the section titled "Non-GAAP Financial Measures" for more information.

- GSK posted 2023 global net TRELEGY sales of $2.739 billion, up 28% compared with 2022. In the fourth quarter of 2023, GSK posted global net TRELEGY sales of $737 million, up 35% year-over-year.[3] As of January 1, 2024, Theravance Biopharma is eligible to receive a total of $200 million in milestone payments from Royalty Pharma, should TRELEGY achieve certain sales thresholds. The next milestone payment of $25 million will be achieved if TRELEGY global net sales are approximately $2.9 billion[4] in 2024. A second milestone payment of another $25 million (for a total of $50 million) can be achieved if TRELEGY global net sales exceed approximately $3.2 billion in 2024.

Fourth Quarter Accomplishments

YUPELRI® (revefenacin) inhalation solution, the first and only once-daily, nebulized LAMA (long- acting muscarinic agent) bronchodilator approved in the US for the maintenance treatment of patients with chronic obstructive pulmonary disease (COPD):

- Achieved total net sales of $60.6 million for the quarter, increasing 9% year-over-year (Q4 2023 vs Q4 2022) and 4% quarter-over-quarter (Q4 2023 vs Q3 2023).[1] Sales growth was driven by increasing customer demand.[5]
- Grew doses sold into the hospital channel by 37% year-over-year (Q4 2023 vs Q4 2022).
- Increased share within the long-acting nebulized segment of the COPD market. During the quarter, share within the community and hospital settings increased to 31.0% and 16.6%, respectively, from 27.1% and 12.5% in Q4 2022.[6]

Ampreloxetine, an investigational, once-daily norepinephrine reuptake inhibitor in development for the treatment of symptomatic neurogenic orthostatic hypotension (nOH) in patients with multiple system atrophy (MSA):

- Presented new data at the 34th International Symposium on the Autonomic Nervous System in November. Results of an anchor-based analysis of Studies 0169 and 0170 demonstrated that an improvement of 0.9 to 1.3 points and worsening of 0.7 to 1.1 points in the OHSA composite score could be considered clinically meaningful. These findings support the use of the OHSA composite score as a primary endpoint in nOH studies and the use of these thresholds in determining clinical meaningfulness.
- Began enrolling patients in CYPRESS outside the U.S., with the first patient enrolled in Europe during the quarter.
- Continued to open sites globally for the CYPRESS study, with the expectation of enrolling the last patient into the open-label period of the study in the second half of 2024.

[3] Source: GSK-reported Net Sales in USD.

[4] The next milestone payment of $25.0 million will be triggered if Royalty Pharma receives $240.0 million or more in royalty payments from GSK with respect to 2024 TRELEGY global net sales, which we would expect to occur in the event TRELEGY global net sales reach approximately $2.863 billion. Another milestone payment of $25.0 million will be received if Royalty Pharma receives $275.0 million or more in royalty payments from GSK with respect to 2024 TRELEGY global net sales, which we would expect to occur in the event TRELEGY global net sales reach approximately $3.213 billion. Royalties payable from GSK to Royalty Pharma are upward tiering from 6.5% to 10%.

[5] Viatris reported customer demand Q4'23: inclusive of direct customer shipments to various channels, including DMEs, retail pharmacies and hospitals.

[6] Hospital LA-NEB Market Share - IQVIA DDD through 12/31/2023. Community LA-NEB Market Share includes Retail + DME / Med B FFS through Nov ’23.

Financials

- Q4 2023 GAAP Net Loss from continuing operations of $8.5 million and Non-GAAP Net Profit from continuing operations of $1.4 million compared with net losses of $9.0 million and $0.7 million, respectively, in Q3 2023. Sequential improvement in results was driven primarily by increased Viatris Collaboration Revenue.
    - The difference between GAAP Net Loss from continuing operations of $8.5 million and Non-GAAP Net Profit from continuing operations of $1.4 million is primarily due to non-cash share-based compensation expense of $5.8 million and income tax expense (primarily non-cash) of $3.5 million.
- Completed $30.2 million of share buybacks in Q4 2023 and $324.8 million from program inception through December 31, 2023. In early January 2024, the Company repurchased $0.4 million shares to complete its capital return program.

Fourth Quarter Financial Results

- **Revenue:** Total revenue for the fourth quarter of 2023 was $17.6 million, consisting almost entirely of Viatris collaboration revenue. Viatris collaboration revenue increased by $2.7 million, or 19%, in the fourth quarter compared to the same period in 2022 due primarily to higher net sales and lower costs incurred by Viatris. The Viatris collaboration revenue represents amounts receivable from Viatris and comprises the Company's 35% share of net sales of YUPELRI, as well as its proportionate amount of the total shared costs incurred by the two companies. The non-shared YUPELRI costs incurred by Theravance Biopharma are recorded within operating expenses. While Viatris records the total net sales of YUPELRI within its financial statements, Theravance Biopharma's implied 35% share of net sales of YUPELRI for the fourth quarter of 2023 was $21.2 million which represents a 9% increase compared to the same period in 2022.

- **Research and Development (R&D) Expenses:** R&D expenses for the fourth quarter of 2023 were $8.3 million, compared to $15.3 million in the same period in 2022. Fourth quarter R&D expenses included total non-cash share-based compensation of $1.7 million. In terms of Financial Guidance, full year 2023 R&D expenses excluding non-cash share-based compensation and one-time restructuring costs were $32.6 million which was below our previous Financial Guidance of $35 million to $45 million.

- **Selling, General and Administrative (SG&A) Expenses:** SG&A expenses for the fourth quarter of 2023 were $15.5 million, compared to $16.7 million in the same period in 2022. Fourth quarter SG&A expenses included total non-cash share-based compensation of $4.1 million. In terms of Financial Guidance, full year 2023 SG&A expenses excluding non-cash share-based compensation and one-time restructuring costs were $53.1 million, which was within our previous Financial Guidance of $45 million to $55 million.

- **Share-Based Compensation:** Share-based compensation expenses for the fourth quarter of 2023 were $5.8 million, compared to $6.9 million in the same period in 2022. Share-based compensation expenses consisted of $1.7 million for R&D and $4.1 million for SG&A in the fourth quarter of 2023, compared to $2.8 million and $4.1 million, respectively, in the same period in 2022. The $1.1 million reduction in total share-based compensation expenses was primarily related to our 2021 restructuring and our 2023 strategic actions.

- **Net Loss from Continuing Operations and Non-GAAP Net Profit (Loss) from Continuing Operations**[2]: Net loss from continuing operations was $8.5 million in the fourth quarter of 2023 compared to $14.3 million in the same period in 2022, and non-GAAP net profit from continuing operations was $1.4 million in the fourth quarter 2023 compared to a non-GAAP net loss from continuing operations of $6.8 million in the same period in 2022. See the section titled "Non-GAAP Financial Measures" for more information.

- **Cash Position:** Cash, cash equivalents and marketable securities totaled $102.4 million as of December 31, 2023.

2024 Financial Guidance

- **Operating Expenses (excluding share-based compensation):** The Company expects full year 2024 R&D expense of $30 million to $36 million and SG&A expense of $45 million to $55 million, in each case excluding share-based compensation.

- **Share-Based Compensation**: The Company expects full year share-based compensation expense of $18 million to $22 million.

- **Non-GAAP Profit / Loss From Continuing Operations:** The Company expects Non-GAAP Loss in the first half of 2024 and approach non-GAAP breakeven in the second half of 2024; limited cash burn expected in 2024.

Settlement Agreements

Certain subsidiaries of Theravance Biopharma and Mylan Ireland Limited and Mylan Specialty L.P. (together, “Viatris”) entered into a settlement agreement (1) on October 27, 2023 with Teva Pharmaceuticals, Inc. and Teva Pharmaceuticals USA, Inc. (together, “Teva”); (2) on December 26, 2023 with Accord Healthcare, Inc. (“Accord”); and (3) on January 12, 2024 with Orbicular Pharmaceutical Technologies Private Limited (“Orbicular”), in each case relating to Theravance Biopharma and Viatris’s YUPELRI® (revefenacin) inhalation solution. These settlement agreements resolve ongoing patent litigation brought by Theravance Biopharma and Viatris against Teva, Accord and Orbicular pursuant to the Hatch-Waxman Act based on Teva, Accord and Orbicular’s respective filings of an abbreviated new drug application seeking approval to market a generic version of YUPELRI® (revefenacin) inhalation solution prior to expiration of the Orange Book Listed Patents.

Theravance Biopharma and Viatris granted each of Teva, Accord and Orbicular under their applicable settlement agreements, a royalty-free, non-exclusive, non-sublicensable, non-transferable license to manufacture and market the respective parties generic version of YUPELRI® (revefenacin) inhalation solution in the United States on or after the licensed launch date of April 23, 2039, subject to certain exceptions as is customary in these types of agreements. As required by law, these settlements are subject to review by the U.S. Department of Justice and the Federal Trade Commission. The patent litigation previously disclosed by the Company against the other four ANDA filers, along with certain affiliates, remains pending.

Conference Call and Live Webcast Today at 5:00 pm ET

Theravance Biopharma will hold a conference call and live webcast accompanied by slides today at 5:00 pm ET / 2:00 pm PT / 10:00 pm GMT. To participate in the live call by telephone, please register here. Those interested in listening to the conference call live via the internet may do so by visiting Theravance Biopharma's website at www.theravance.com, under the Investors section, Presentations and Events.

A replay of the webcast will be available on Theravance Biopharma's website for 30 days through March 27, 2024.

About Ampreloxetine

Ampreloxetine, an investigational, once-daily norepinephrine reuptake inhibitor in development for the treatment of symptomatic neurogenic orthostatic hypotension (nOH) in patients with multiple system atrophy (MSA). The unique benefits of ampreloxetine treatment reported in MSA patients from Study 0170 included an increase in norepinephrine levels, a favorable impact on blood pressure, clinically meaningful and durable symptom improvement, and no signal for supine hypertension. The company has been granted an orphan drug designation in the US and, if results support it, plans to file an NDA for full approval based on the Phase 3 CYPRESS study.

About CYPRESS (Study 0197), a Phase 3 Study

Study 0197 (NCT05696717) is currently enrolling. This is a registrational Phase 3, multi-center, randomized withdrawal study to evaluate the efficacy and durability of ampreloxetine in participants with MSA and symptomatic nOH after 20 weeks of treatment; the primary endpoint of the study is change in the Orthostatic Hypotension Symptom Assessment (OHSA) composite score. The Study includes four periods: screening, open label (12-week period, participants will receive a single daily 10 mg dose of ampreloxetine), randomized withdrawal (eight-week period, double-blind, placebo-controlled, participants will receive a single daily 10 mg dose of placebo or ampreloxetine), and a long-term treatment extension. Secondary outcome measures include change from baseline in Orthostatic Hypotension Daily Activity Scale (OHDAS) item 1 (activities that require standing for a short time) and item 3 (activities that require walking for a short time).

About Multiple System Atrophy (MSA) and Symptomatic Neurogenic Orthostatic Hypotension (nOH)

MSA is a progressive brain disorder that affects movement and balance and disrupts the function of the autonomic nervous system. The autonomic nervous system controls body functions that are mostly involuntary. One of the most frequent autonomic symptoms associated with MSA is a sudden drop in blood pressure upon standing (nOH).[7] There are approximately 50,000 MSA patients in the US[8] and 70-90% of MSA patients experience nOH symptoms.[9] Despite available therapies, many MSA patients remain symptomatic with nOH.

[7] https://medlineplus.gov/genetics/condition/multiple-system-atrophy/

[8] UCSD Neurological Institute (25K-75K, with ~10K new cases per year); NIH National Institute of Neurological Disorders and Stroke (15K-50K).

[9] Delveinsight MSA Market Forecast (2023); Symptoms associated with orthostatic hypotension in pure autonomic failure and multiple systems atrophy, CJ Mathias (1999).

Neurogenic orthostatic hypotension (nOH) is a rare disorder defined as a fall in systolic blood pressure of ≥ 20 mm Hg or diastolic blood pressure of ≥ 10 mm Hg, within 3 minutes of standing. Severely affected patients are unable to stand for more than a few seconds because of their decrease in blood pressure, leading to cerebral hypoperfusion and syncope. A debilitating condition, nOH results in a range of symptoms including dizziness, lightheadedness, fainting, fatigue, blurry vision, weakness, trouble concentrating, and head and neck pain.

About Theravance Biopharma

Theravance Biopharma, Inc.'s focus is to deliver *Medicines that Make a Difference*® in people's lives. In pursuit of its purpose, Theravance Biopharma leverages decades of expertise, which has led to the development of FDA-approved YUPELRI® (revefenacin) inhalation solution indicated for the maintenance treatment of patients with chronic obstructive pulmonary disease (COPD). Ampreloxetine, its late-stage investigational norepinephrine reuptake inhibitor in development for symptomatic neurogenic orthostatic hypotension, has the potential to be a first in class therapy effective in treating a constellation of cardinal symptoms in multiple system atrophy patients. The Company is committed to creating/driving shareholder value.

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

Forward-Looking Statements

This press release and the conference call will contain 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, as amended, and the Private Securities Litigation Reform Act of 1995. Examples of such statements include statements relating to: the Company's expectations regarding its future profitability, expenses and uses of cash, the Company's goals, designs, strategies, plans and objectives, future growth of YUPELRI sales, future royalty payments, the ability to provide value to shareholders, the Company's regulatory strategies and timing of clinical studies, possible safety, efficacy or differentiation of our investigational therapy, the status of patent infringement litigation initiated by the Company and its partner against certain generic companies in federal district courts; contingent payments due to the Company from the sale of the Company's TRELEGY ELLIPTA royalty interests to Royalty Pharma, and expectations around the use of OHSA scores as endpoints for clinical trials. These statements are based on the current estimates and assumptions of the management of Theravance Biopharma as of the date of this 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: factors that could increase the Company's cash requirements or expenses beyond its expectations and any factors that could adversely affect its profitability, whether the milestone thresholds can be achieved, 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 or product are unsafe, ineffective or not differentiated, risks of decisions from regulatory authorities that are unfavorable to the Company, 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, the ability of the Company to protect and to enforce its intellectual property rights, volatility and fluctuations in the trading price and volume of the Company's shares, and general economic and market conditions. Other risks affecting Theravance Biopharma are in the Company's Form 10-Q filed with the SEC on November 9, 2023, and other periodic reports filed 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.

Non-GAAP Financial Measures

Theravance Biopharma provides a non-GAAP profitability target and a non-GAAP metric in this press release. Theravance Biopharma believes that the non-GAAP profitability target and non-GAAP net profit (loss) from continuing operations provide meaningful information to assist investors in assessing prospects for future performance and actual performance as they provide better metrics for analyzing the performance of its business by excluding items that may not be indicative of core operating results and the Company's cash position. Because non-GAAP financial targets and metrics, such as non-GAAP profitability and non-GAAP net loss from continuing operations, are not standardized, it may not be possible to compare these measures with other companies' non-GAAP targets or measures having the same or a similar name. Thus, Theravance Biopharma's non-GAAP measures should be considered in addition to, not as a substitute for, or in isolation from, the Company's actual GAAP results and other targets.

Please see the appendix attached to this press release for a reconciliation of non-GAAP net profit (loss) from continuing operations to its corresponding measure, net profit (loss) from continuing operations. A reconciliation of non-GAAP net profit (loss) from continuing operations to its corresponding GAAP measure is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses and other factors in the future.

Contact:
investor.relations@theravance.com
650-808-4045

THERAVANCE BIOPHARMA, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31, 2023 (Unaudited)	December 31, 2022 (1)
Assets		
Current assets:		
Cash and cash equivalents and short-term marketable securities	$ 102,426	$ 327,484
Receivables from collaborative arrangements	17,474	16,785
Prepaid clinical and development services	2,038	1,513
Other prepaid and current assets	11,603	7,682
Total current assets	133,541	353,464
Property and equipment, net	9,068	11,875
Operating lease assets	36,287	40,126
Future contingent milestone and royalty assets	194,200	194,200
Restricted cash	836	836
Other assets	8,067	6,899
Total assets	$ 381,999	$ 607,400
Liabilities and Shareholders' Equity		
Current liabilities	$ 24,767	$ 28,715
Long-term operating lease liabilities	45,236	45,407
Future royalty payment contingency	27,788	25,438
Unrecognized tax benefits	70,437	64,191
Other long-term liabilities	776	1,849
Shareholders' equity	212,995	441,800
Total liabilities and shareholders’ equity	$ 381,999	$ 607,400

(1) The condensed consolidated balance sheet as of December 31, 2022 has been derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

THERAVANCE BIOPHARMA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
Revenue:				
Viatris collaboration agreement (1)	$ 17,360	$ 14,613	$ 57,201	$ 48,624
Viatris royalties (Non-US)	7	30	7	30
Collaboration revenue	198	6	216	192
Licensing revenue	-	-	-	2,500
Total revenue	17,565	14,649	57,424	51,346
Costs and expenses:				
Research and development (2)	8,314	15,347	40,621	63,392
Selling, general and administrative (2)	15,492	16,734	70,095	67,073
Restructuring and related expenses (2)	-	-	2,743	12,838
Total costs and expenses	23,806	32,081	113,459	143,303
Loss from operations	(6,241)	(17,432)	(56,035)	(91,957)
Interest expense	(623)	(551)	(2,350)	(6,369)
Loss on extinguishment of debt	-	-	-	(3,034)
Interest income and other income (expense), net	1,847	3,722	9,116	8,545
Loss from continuing operations before income taxes	(5,017)	(14,261)	(49,269)	(92,815)
Provision for income tax (expense) benefit	(3,494)	3	(5,924)	(9)
Net loss from continuing operations	**(8,511)**	**(14,258)**	**(55,193)**	**(92,824)**
Income from discontinued operations before income taxes	-	-	-	1,143,930
Provision for income tax expense	-	3,894	-	(178,974)
Net income from discontinued operations	**-**	**3,894**	**-**	**964,956**
Net income (loss)	**$ (8,511)**	**$ (10,364)**	**$ (55,193)**	**$ 872,132**
Net income (loss) per share:				
Continuing operations - basic and diluted	$ (0.17)	$ (0.21)	$ (1.00)	$ (1.26)
Discontinued operations - basic and diluted	$ -	$ 0.06	$ -	$ 13.11
Net income (loss) - basic and diluted	$ (0.17)	$ (0.15)	$ (1.00)	$ 11.85
Shares used to compute per share calculations - basic and diluted	49,415	67,395	55,303	73,591
Non-GAAP net income (loss) from continuing operations	**$ 1,431**	**$ (6,762)**	**$ (21,548)**	**$ (52,107)**

(1) While Viatris, Inc. records the total YUPELRI net sales, the Company is entitled to a 35% share of the net profit (loss) pursuant to a co-promotion agreement with Viatris as presented below:

	Three Months Ended December 31,		Year Ended December 31,	
(In thousands)	2023	2022	2023	2022
YUPELRI net sales (100% recorded by Viatris)	$ 60,644	$ 55,700	$ 220,962	$ 201,866
YUPELRI net sales (Theravance Biopharma implied 35%)	21,225	19,495	77,337	70,653

(2) Amounts include share-based compensation expense as follows:

	Three Months Ended December 31,		Year Ended December 31,	
(In thousands)	2023	2022	2023	2022
Research and development	$ 1,747	$ 2,825	$ 8,048	$ 12,888
Selling, general and administrative	4,078	4,123	16,966	19,848
Restructuring and related expenses	-	-	357	6,998
Total share-based compensation expense	$ 5,825	$ 6,948	$ 25,371	$ 39,734

THERAVANCE BIOPHARMA, INC.
Reconciliation of GAAP to Non-GAAP Net Income (Loss) from Continuing Operations
(In thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
GAAP net loss from continuing operations	$ (8,511)	$ (14,258)	$ (55,193)	$ (92,824)
Adjustments:				
Share-based compensation expense	5,825	6,948	25,371	39,734
Non-cash interest expense	623	551	2,350	974
Income tax expense (benefit)	3,494	(3)	5,924	9
Non-GAAP net income (loss) from continuing operations	**$ 1,431**	**$ (6,762)**	**$ (21,548)**	**$ (52,107)**

Theravance Biopharma®

Medicines That Make a Difference®

Fourth Quarter & Full Year 2023 Financial Results and Business Update

February 26, 2024

Forward Looking Statements

This presentation 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, Inc. (the "Company") 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, as amended, and the Private Securities Litigation Reform Act of 1995.

Examples of such statements include statements relating to: the Company's expectations regarding its future profitability, expenses and uses of cash, the Company's goals, designs, strategies, plans and objectives, future growth of YUPELRI sales, future royalty payments, the ability to provide value to shareholders, the Company's regulatory strategies and timing of clinical studies, possible safety, efficacy or differentiation of our investigational therapy, the status of patent infringement litigation initiated by the Company and its partner against certain generic companies in federal district courts; contingent payments due to the Company from the sale of the Company's TRELEGY ELLIPTA royalty interests to Royalty Pharma, and expectations around the use of OHSA scores as endpoints for clinical trials. These statements are based on the current estimates and assumptions of the management of Theravance Biopharma as of the date of this 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: factors that could increase the Company's cash requirements or expenses beyond its expectations and any factors that could adversely affect its profitability, whether the milestone thresholds can be achieved, 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 or product are unsafe, ineffective or not differentiated, risks of decisions from regulatory authorities that are unfavorable to the Company, 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, the ability of the Company to protect and to enforce its intellectual property rights, volatility and fluctuations in the trading price and volume of the Company's shares, and general economic and market conditions.

Other risks affecting the Company are in the Company's Form 10-Q filed with the SEC on November 9, 2023, and other periodic reports filed 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.

Non-GAAP Financial Measures

Theravance Biopharma provides a non-GAAP profitability target and a non-GAAP metric in this press release. Theravance Biopharma believes that the non-GAAP profitability target and non-GAAP net profit (loss) from continuing operations provide meaningful information to assist investors in assessing prospects for future performance and actual performance as they provide better metrics for analyzing the performance of its business by excluding items that may not be indicative of core operating results and the Company's cash position. Because non-GAAP financial targets and metrics, such as non-GAAP profitability and non-GAAP net loss from continuing operations, are not standardized, it may not be possible to compare these measures with other companies' non-GAAP targets or measures having the same or a similar name. Thus, Theravance Biopharma's non-GAAP measures should be considered in addition to, not as a substitute for, or in isolation from, the Company's actual GAAP results and other targets.

Please see the appendix attached to this presentation for a reconciliation of non-GAAP net profit (loss) from continuing operations to its corresponding measure, net profit (loss) from continuing operations. A reconciliation of non-GAAP net profit (loss) from continuing operations to its corresponding GAAP measure is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses and other factors in the future.

Agenda

Introduction	**Rick Winningham** Chief Executive Officer
Ampreloxetine Overview	**Rick Winningham** Chief Executive Officer **Áine Miller** Senior Vice President, Development
YUPELRI® Update	**Rhonda Farnum** Senior Vice President, Chief Business Officer
Financial Update	**Aziz Sawaf** Senior Vice President, Chief Financial Officer
Closing Remarks	**Rick Winningham** Chief Executive Officer

2023 Year-End-Highlights

YUPELRI® revefenacin inhalation solution

- **Increased YUPELRI net sales by 9% Y/Y, to $221M**, driving product-level **margin expansion**[1]
- **Grew 2023 hospital volumes 46% Y/Y,** contributing meaningfully to overall net sales growth

Ampreloxetine

- **Initiated P3 CYPRESS Study in Q1'23;** remain on track to enroll the last patient in the open label portion by H2'24
- Granted **FDA Orphan Drug Designation**

Corporate

- **GAAP Net Loss** of $8.5M in Q4
- **Non-GAAP Profitability** of $1.4M achieved in Q4[2]
- **Completed $325M capital return program**[3]
- **Added 3 new directors** and increased shareholder representation

Theravance Biopharma
Medicines That Make a Difference

1. In the US, Viatris is leading the commercialization of YUPELRI, and Theravance Biopharma co-promotes the product under a profit and loss sharing arrangement (65% to Viatris; 35% to Theravance Biopharma).
2. Non-GAAP net profit (loss) from continuing operations consists of GAAP net income (loss) before taxes less share-based compensation expense and non-cash interest expense. See the section titled "Non-GAAP Financial Measures" on Slide 2 for more information.
3. As of the first week of January, 2024.

2024 Strategic Objectives

YUPELRI® revefenacin inhalation solution

- **Grow YUPELRI Net Sales** and continue to improve product-level profitability
- **Continue robust hospital sales growth and gain market share** in the hospital LA-Neb segment
- **China filing mid-2024**, leading to potential $7.5M milestone upon approval

Ampreloxetine

- **Enroll last patient** in the open label portion of CYPRESS in H2'24
- **Advance regulatory and early commercial preparedness** throughout '24
- **Investor event** to be held in Q2'24

Corporate

- **Non-GAAP[1] Loss in 1H'24** and **Approach Non-GAAP Breakeven in 2H'24:**
  - Limited cash burn expected FY'24
- **TRELEGY 2024 Milestones:[2]**
  - **$25M** for ~$2.9B in Net Sales
  - **$50M** for ~$3.2B in Net Sales

  (FY'23 **TRELEGY sales reached $2.739B,** +28% Y/Y growth)[3]

Theravance Biopharma
Medicines That Make a Difference

1. Non-GAAP net profit (loss) from continuing operations is expected to consist of GAAP net income (loss) before taxes less share-based compensation expense and non-cash interest expense. See the section titled "Non-GAAP Financial Measures" on Slide 2 for more information. 2. Theravance stands to receive up to $200 million in Trelegy sales milestones paid directly from Royalty Pharma. The first payment, of $25 million, will be triggered if Royalty Pharma (RP) receives $240 million or more in royalty payments from GSK based on 2024 TRELEGY global net sales, which we expect would occur should TRELEGY global net sales reach approximately $2.9 billion. A second payment of $25 million (for a total of $50 million) will be triggered if Royalty Pharma receives $275 million or more in royalty payments from GSK, which we expect would occur should 2024 TRELEGY global net sales exceed approximately $3.2 billion. 3. Source: GSK-reported Net Sales in USD.

Theravance Today: Focused on Value Creation

Growing YUPELRI®, Maximizing Ampreloxetine, Maintaining Financial Strength

1. **U.S. YUPELRI Co-Promote[1]: 2023 Net Sales of $221M, up 9% Y/Y**
   - Brand profitable, with expanding profit margins
2. **Ampreloxetine: wholly-owned Phase 3 rare neuro asset with ODD; top line data expected 2025**
3. **$102M cash and no debt[2]**
4. **Potential milestones and royalties:**
   - TRELEGY: Up to $200M in sales milestones through 2026; royalties returning in 2029
   - YUPELRI:
     - U.S. Monotherapy: Up to $150M in sales milestones[3]; first $25M for $250M of net sales in any calendar year
     - China Monotherapy: Up to $45M in development and sales milestones, 14-20% tiered royalties[4]
     - OUS (ex-China): Low double-digit to mid-teens royalties[5]

Theravance Biopharma
Medicines That Make a Difference

1. In the US, Viatris is leading the commercialization of YUPELRI, and Theravance Biopharma co-promotes the product under a profit and loss sharing arrangement (65% to Viatris; 35% to Theravance Biopharma). 2. As of December 31, 2023. 3. As of December 31, 2023, Theravance Biopharma is eligible to receive from Viatris potential global development, regulatory and sales milestone payments (excluding China and adjacent territories) totaling up to $205.0 million in the aggregate; refer to our SEC filings for further information. 4. As of December 31, 2023, Theravance Biopharma is eligible to receive potential development and sales milestones totaling $52.5 million related to Viatris' development and commercialization of nebulized revefenacin in China and adjacent territories, with $45.0 million associated with YUPELRI monotherapy and $7.5 million associated with future potential combination products; refer to our SEC filings for further information. 5. Refer to our SEC filings for further information. ODD, Orphan Drug Designation.

Ampreloxetine

Investigational once-daily norepinephrine reuptake inhibitor

For symptomatic neurogenic orthostatic hypotension (nOH) in multiple system atrophy (MSA) patients

Theravance Biopharma
Medicines That Make a Difference

Ampreloxetine Value Proposition

Significant Commercial Potential:

- **~40K MSA Patients with Symptomatic nOH in the US[1,2]**
- **~ 5x the Addressable Population with the inclusion of Europe, Japan and China[3]**
- **Wholly-Owned by Theravance with Potential to Partner OUS**
- **Granted IP protection to 2037 in the US**

Orphan Drug Designation Received

Highly Differentiated Efficacy and Safety, Addressing Key Unmet Needs[4]

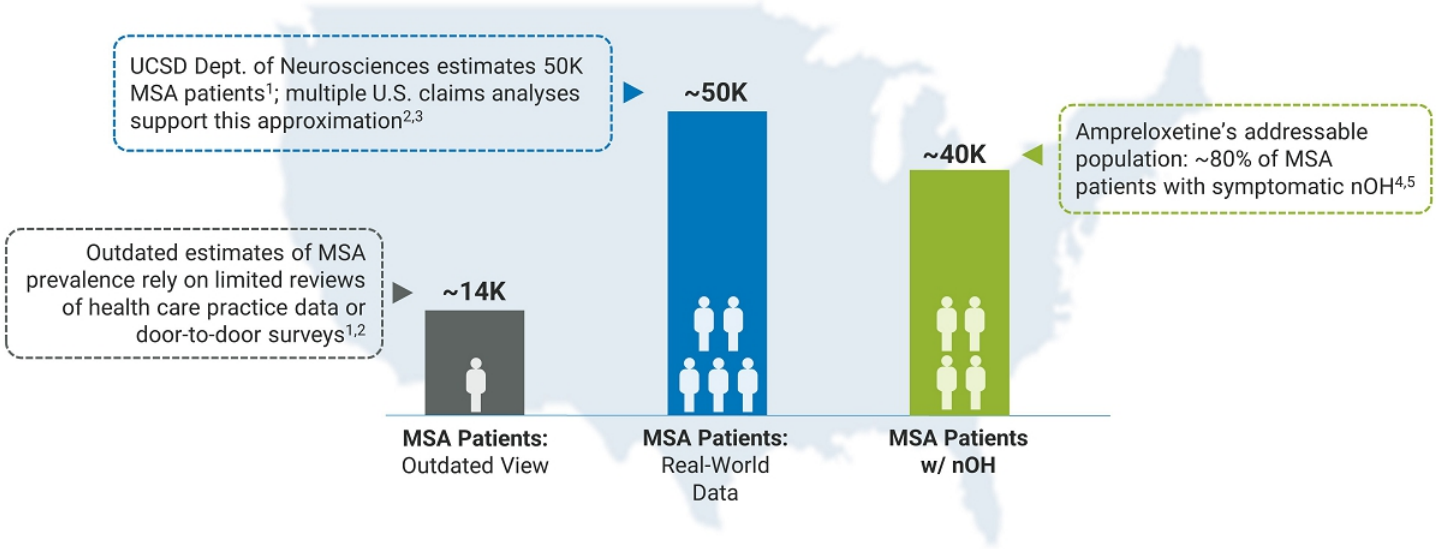
High Probability of Success

Theravance Biopharma
Medicines That Make a Difference

1. *"Estimating the prevalence and incidence of multiple system atrophy in the USA: Insights from a national claims database"*, Parkinsonism and Related Disorders 11/4/2023; UC San Diego Dept. of Neurosciences (25K-75K): https://neurosciences.ucsd.edu/centers-programs/movement-disorders/community/disease-overview/msa.html; Thelansis nOH Market Report 2023; Internal claims analyses (IQVIA, Veeva, Real Chemistry). 2. Kalra DK, et al. Clin Med Insights: Cardiol. 2020 (70%-90%);14:1179546820953415; Delveinsight MSA Market Forecast (2023); Symptoms associated with orthostatic hypotension in pure autonomic failure and multiple systems atrophy, CJ Mathias (1999). 3. Thelansis nOH Market Report 2023; TBPH Internal Analysis. 4. Reflects Theravance Biopharma's expectations for ampreloxetine based on clinical trial data to date. Ampreloxetine is in development and not approved for any indication. Data on file. MSA, multiple system atrophy; nOH, neurogenic orthostatic hypotension.

MSA Prevalence in the United States: ~50K Patients

Recent Data Confirm Significant Population with Unmet Needs



Theravance Biopharma
Medicines That Make a Difference

1. Fanciulli A, Wenning GK. N Eng J Med 2015:372:249–63. 2. *"Estimating the prevalence and incidence of multiple system atrophy in the USA: Insights from a national claims database"*, Parkinsonism and Related Disorders 11/4/2
3. UC San Diego Dept. of Neurosciences (25K-75K): https://neurosciences.ucsd.edu/centers-programs/movement-disorders/community/disease-overview/msa.html; Thelansis nOH Market Report 2023; Internal claims analyses (IQVIA, Veeva, Real Chemistry). 4. Kalra DK, et al. Clin Med Insights: Cardiol. 2020 (70%-90%);14:117954682095341 5. 5. Delveinsight MSA Market Forecast (2023); Symptoms associated with orthostatic hypotension in pure autonomic failure and multiple systems atrophy, CJ Mathias (1999).

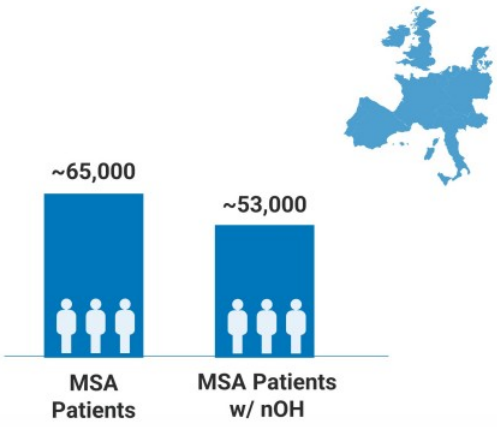
MSA, multiple system atrophy; nOH, neurogenic orthostatic hypotension.

Ampreloxetine Ex-U.S. Opportunity

Significant Unmet Needs in Leading Therapeutics Markets

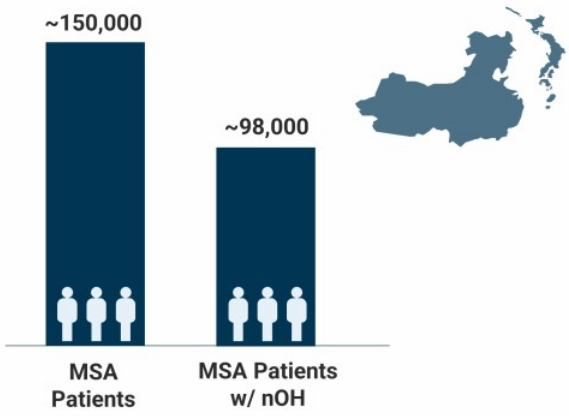
Prevalence in Europe[1,2]

45-60K MSA Patients with nOH



Prevalence in China & Japan[1]

90-105K MSA Patients with nOH



Theravance Biopharma
Medicines That Make a Difference

1. Thelansis nOH Market Report 2023; TBPH Internal Analysis. nOH graphics reflect the mid-point of the provided ranges.
2. Prevalence estimate for Germany, France, UK, Italy and Spain.
MSA, multiple system atrophy; nOH neurogenic orthostatic hypotension.

High Unmet Need in Symptomatic nOH in MSA

Many Patients Suffer Debilitating Symptoms Without Adequate Therapy

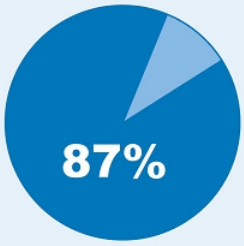
Impact of MSA

- **MSA is an uncurable, progressive, neurological disorder** impacting autonomic functioning, movement, speech and balance
- Among neurological disorders, **MSA ranks as having the second most severe impact on quality of life**[1]

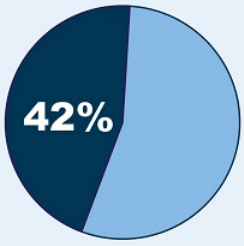
Impact of Neurological Conditions on Quality of Life[1]

Rank	Condition
1	ME/CFS
2	MSA
3	PSP
...	
12	Huntington's Disease
13	Traumatic Brain Injury
...	
34	Parkinson's Disease
35	Encephalitis

Burden of nOH on Patients



87% of nOH patients report a reduced ability to perform activities[2,3]



42% claim nOH has robbed them of their independence[2,3]

Theravance Biopharma
Medicines That Make a Difference

1. The Neurological Alliance, 2021/2022.
2. Merola A, et al., Mov Disord 2018.
3. Claassen DO, et al., BMC Neurol 2018.

ME/CFS, myalgic encephalomyelitis/chronic fatigue syndrome; MSA, multiple system atrophy; nOH, neurogenic orthostatic hypotension; PSP, progressive supranuclear palsy.

Ampreloxetine Offers Unique Hope

Potential Significant Advantages Over Current Options Without a Direct Comparator

	Droxidopa[1]	Ampreloxetine[3]
Indication	Symptomatic nOH in PD, PAF and MSA patients	Symptomatic nOH in MSA patients [intended indication]
Efficacy **Durability**	**OHSA#1(dizziness, lightheadedness only)** Clinical effectiveness **>2 weeks not established**	**OHSA Composite (all six symptoms)** Clinically meaningful and durable **responses >20 weeks**
Dosing	**3 times per day**, titration to effect	**Once-daily**
Safety	**Black box warning** for supine hypertension	**No signal for supine hypertension**
Opportunity	Low market penetration in MSA[2]	**Expected improved adherence and adoption** **Orphan pricing potential**

A safe, convenient treatment option with broad and durable effects is needed

Theravance Biopharma
Medicines That Make a Difference

1. NORTHERA® (droxidopa) [package insert]. Deerfield, IL: Lundbeck. 2014.
2. IQVIA Patient-Level Claims, 2019.
3. Reflects Theravance Biopharma's expectations for ampreloxetine based on clinical trial data to date. Ampreloxetine is in development and not approved for any indication. Data on file.

MSA, multiple system atrophy; nOH, neurogenic orthostatic hypotension; OHSA, orthostatic hypotension symptom assessment; PAF, pure autonomic failure; PD, Parkinson's disease.

Phase 3 CYPRESS Study Update

Maximizing the Probability of Clinical and Regulatory Success

CYPRESS Study Management

1. **Careful site selection**
   - Informed by Study 0169/170 experience, internal data analytics
   - Includes leading KOLs and many of the same sites from Studies 0169 and 0170
   - To-date enrollment metrics consistent with expectations and Study 170
2. **Patient-centered design**
   - Infrastructure in place to support remote visits
3. **High standards for training and conduct**
4. **Sites actively recruiting in NA, Europe, LatAm**

Program Alignment Derisks Regulatory Path

1. **Aligned with FDA** on CYPRESS design, and OHSA composite as primary endpoint
2. **FDA-supported, Anchor-Based Analysis** included to establish clinically meaningful thresholds for patient-reported outcomes measures
   - ~1 point change in OHSA Composite identified as clinically meaningful[1]
3. **NDA authoring underway**
   - CMC, non-clinical pharmacology/toxicology, and clinical pharmacology programs complete
4. **Successful CYPRESS study fulfills requirement for a full approval**

Theravance Biopharma
Medicines That Make a Difference

1. Kaufmann H. (2023, November 15-18). Evaluating clinically meaningful changes in the Orthostatic Hypotension Symptom Assessment domain of the Orthostatic Hypotension Questionnaire. [Poster presentation].

KOL, key opinion leader; LatAm, Latin America; MSA, multiple system atrophy; NA; North America; nOH, neurogenic orthostatic hypotension; OHSA, orthostatic hypotension symptom assessment.

YUPELRI®
revefenacin inhalation solution

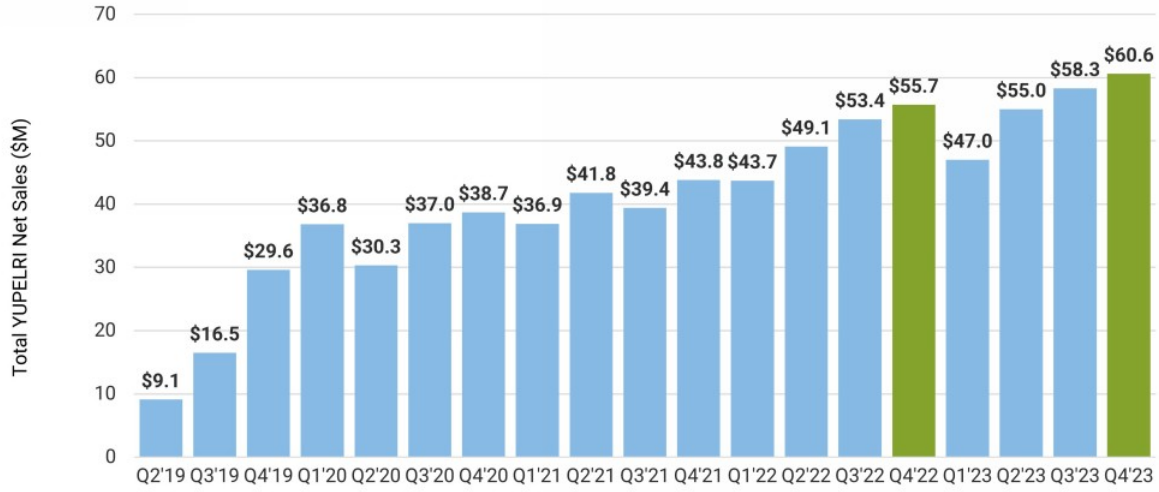
FDA-approved for maintenance treatment of COPD

First and only once-daily, LAMA (long-acting muscarinic agent) nebulized maintenance medicine for COPD

Co-promotion agreement with VIATRIS™ (35% / 65% Profit Share)

Theravance Biopharma
Medicines That Make a Difference

YUPELRI® Continued Net Sales Growth

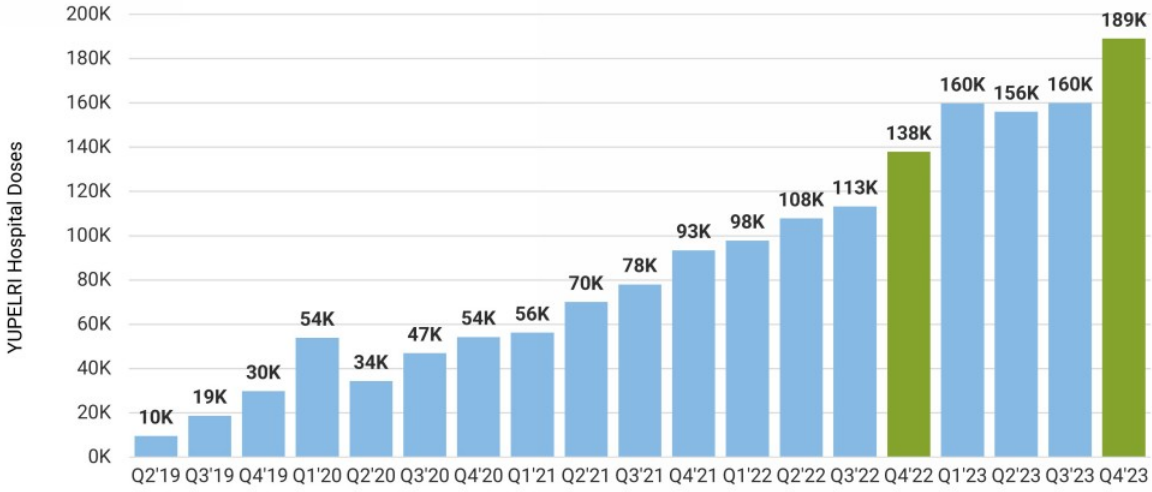


Net sales increased 9% Q4'23 vs. Q4'22

Theravance Biopharma
Medicines That Make a Difference

In the US, Viatris is leading the commercialization of YUPELRI, and Theravance Biopharma co-promotes the product under a profit and loss sharing arrangement (65% to Viatris; 35% to Theravance Biopharma).

Theravance Hospital Execution Drives Value



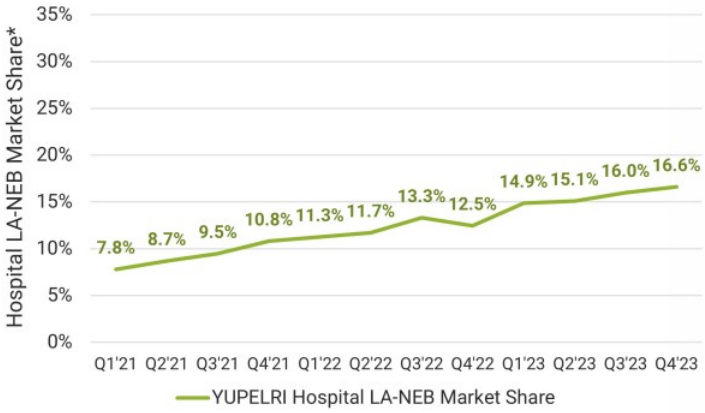
Hospital sales (doses) increased 37% Q4'23 vs. Q4'22[1]

Theravance Biopharma
Medicines That Make a Difference

1. Source: IQVIA DDD, HDS, VA and Non-Reporting Hospital through 12/31/2023. Preliminary data subject to revision upon receipt of final data.

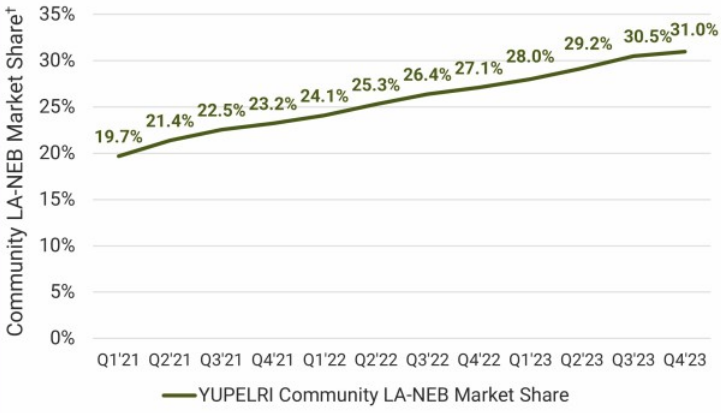
YUPELRI® Market Share Gains Continue

Hospital LA-NEB Market Share



Most patients who receive YUPELRI in the hospital are discharged with an Rx[1]

Community LA-NEB Market Share



Patients continue treatment in the community setting which is inclusive of both the retail and DME channels

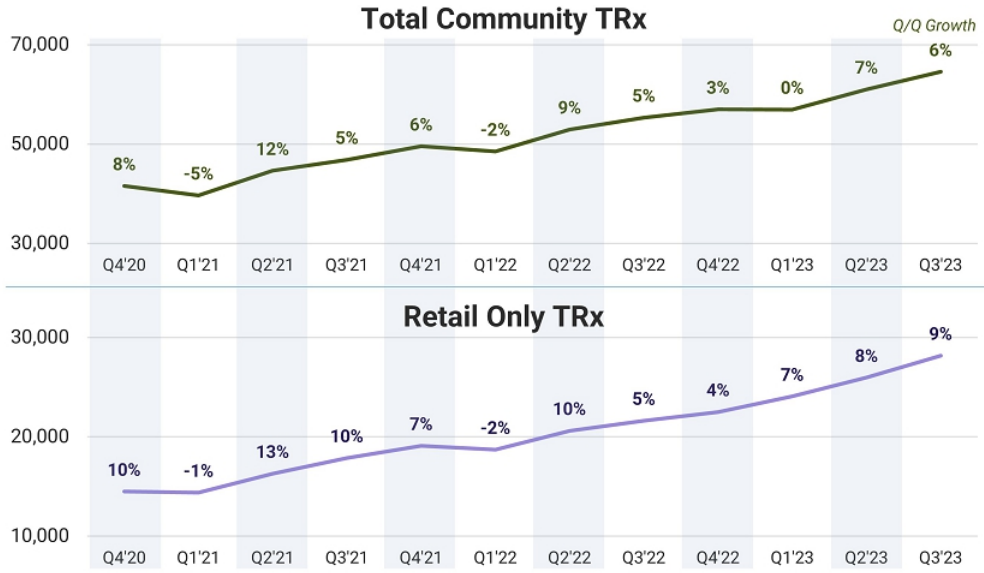
LA-NEB Market: YUPELRI, BROVANA, LONHALA, PERFOROMIST, arformoterol, formoterol

Theravance Biopharma
Medicines That Make a Difference

1. Joint VTRS/TBPH Market Research (Aug'23).
* Hospital LA-NEB Market Share - IQVIA DDD through Dec'23.
†Community LA-NEB Market Share includes Retail + DME / Med B FFS through Nov'23.

YUPELRI® Total Community & Retail TRx Track Directionally

Real-time Retail Data Serve as Proxy to Lagged Total Community Volume Trends



- 'Total Community' includes Retail + DME
- ~3-month lag due to Med B FFS adjudication at DMEs

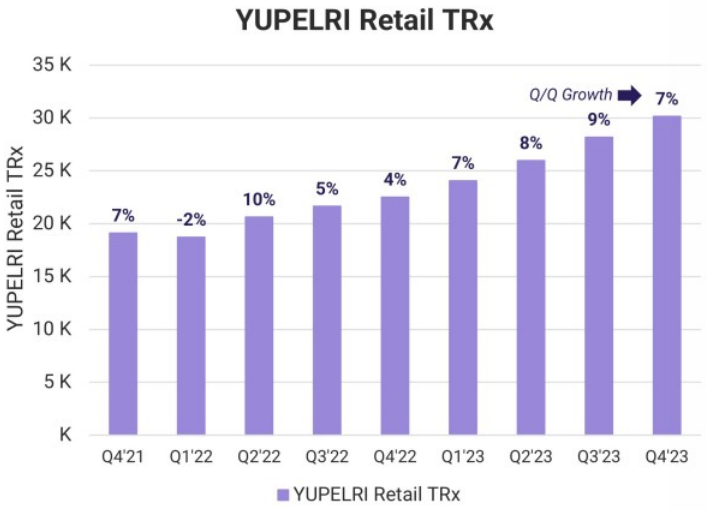
- 'Retail Only' includes retail, mail and long-term-care
- Data reported closer to "real-time" with less of lag
- Faster growth in recent quarters, now accounts for > 40% of 'Total Community'

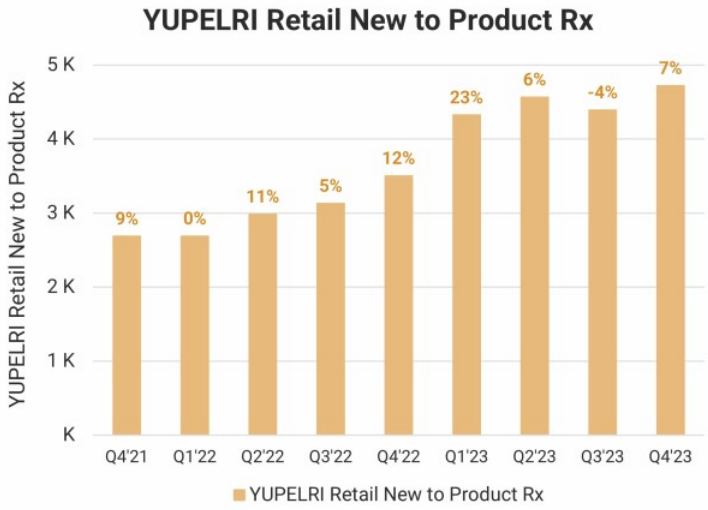
Theravance Biopharma
Medicines That Make a Difference

Sources: Total Community: Retail + DME / Med B FFS through Nov'23 | Retail Only: Symphony Health METYS Prescription Dashboard through Dec'23.
DME, durable medical equipment; TRx, total prescriptions.

YUPELRI® Retail Trends

Retail TRx Continue to Reach New Quarterly Highs





Theravance Biopharma
Medicines That Make a Difference

Source: Symphony Health METYS Prescription Dashboard through Dec'23.
TRx, Total Prescriptions.

YUPELRI ® Value Proposition

Only Once-Daily Nebulized LAMA COPD Maintenance Medicine

Significant Commercial Opportunity Going Forward:

- **U.S. YUPELRI Co-Promote[1]: 2023 sales of $221M (+9% Y/Y)**
- **Brand profitable, with expanding profit margins**

Significant potential milestones and royalties:

- **U.S. Monotherapy: Up to $150M in sales milestones[2]; first $25M for $250M of net sales in any calendar year**
- **China Monotherapy: Up to $45M in development and sales milestones; 14-20% tiered royalties[3]**
- **OUS (ex-China): Low double-digit to mid-teens royalties[4]**

IP protection granted to 2039 in the US

Theravance Biopharma
Medicines That Make a Difference

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Financial Update

Theravance Biopharma
Medicines That Make a Difference

Fourth Quarter 2023 Financials (Unaudited)

($, in thousands)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Year Ended December 31, 2023	Year Ended December 31, 2022
	(Unaudited)		(Unaudited)	
Revenue:				
Viatris collaboration agreement	$ 17,360	$ 14,613	$ 57,201	$ 48,624
Viatris royalties (Non-US)	7	30	7	30
Collaboration revenue	198	6	216	192
Licensing revenue	-	-	-	2,500
Total revenue	17,565	14,649	57,424	51,346
Costs and expenses:				
Research and development (1)	8,314	15,347	40,621	63,392
Selling, general and administrative (1)	15,492	16,734	70,095	67,073
Restructuring and related expenses (1)	-	-	2,743	12,838
Total costs and expenses	23,806	32,081	113,459	143,303
Loss from continuing operations (before tax and other income & expense)	**$ (6,241)**	**$ (17,432)**	**$ (56,035)**	**$ (91,957)**
Income from discontinued operations (before tax)	**-**	**-**	**-**	**1,143,930**
Share-based compensation expense:				
Research and development	1,747	2,825	8,048	12,888
Selling, general and administrative	4,078	4,123	16,966	19,848
Restructuring and related expenses	-	-	357	6,998
Total share-based compensation expense	5,825	6,948	25,371	39,734
Operating expense excl. share-based compensation and one-time expenses:				
R&D operating expense (excl. share-based comp and restructuring exp.)	6,567	12,522	32,573	50,504
SG&A operating expense (excl. share-based comp and restructuring exp.)	11,414	12,611	53,129	47,225
Total operating expenses excl. share-based compensation and one-time expenses	**$ 17,981**	**$ 25,133**	**$ 85,702**	**$ 97,729**
Non-GAAP net income (loss) from continuing operations (2)	**$ 1,431**	**$ (6,762)**	**$ (21,548)**	**$ (52,107)**

Theravance Biopharma
Medicines That Make a Difference

1. Amounts include share-based compensation.
2. Non-GAAP net profit/loss from continuing operations consists of GAAP net loss before taxes excluding share-based compensation expense and non-cash interest expense; see reconciliation on Slide 23 and the section titled "Non-GAAP Financial Measures" on Slide 2 for more information.

Fourth Quarter 2023 Financials (Unaudited)
(Cont'd)

Reconciliation of GAAP to Non-GAAP Net Income (Loss) from Continuing Operations
(In thousands, except per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
GAAP Net Loss from Continuing Operations	$ (8,511)	$ (14,258)	$ (55,193)	$ (92,824)
Adjustments:				
Share-based compensation expense	5,825	6,948	25,371	39,734
Non-cash interest expense	623	551	2,350	974
Income tax expense (benefit)	3,494	(3)	5,924	9
Non-GAAP Net Income (Loss) from Continuing Operations	**$ 1,431**	**$ (6,762)**	**$ (21,548)**	**$ (52,107)**
Non-GAAP Net Income (Loss) per Share from Continuing Operations				
Net income (loss) - basic and diluted	$ 0.03	$ (0.10)	$ (0.39)	$ (0.71)
Shares used to compute per share calculations - basic and diluted	49,415	67,395	55,303	73,591

Q4 2023 Financial Highlights

Significant Capital Returns from a Position of Strength

Metric	Q4 '23 (M)	Q4 '22 (M)	Note
VIATRIS Collaboration Revenue	$17.4	$14.6	• All-time high representing 19% YoY growth
SG&A and R&D Expense, ex-SBC	$18.0	$25.1	
Share-Based Compensation	$5.8	$6.9	
GAAP Net Loss from Continuing Operations	($8.5)	($14.3)	• Q4'23 impacted by non-cash income tax expense
Non-GAAP Net Income (Loss) from Continuing Operations[1]	$1.4	($6.8)	
Cash and Cash Equivalents[2] (as of quarter-end)	$102.4	$327.5	• $30.2M of share buybacks in Q4'23
Debt (as of quarter-end)	$0.0	$0.0	• All long-term debt retired in Q3'22
Shares Outstanding (as of quarter-end)	48.1	65.2	• ~3.0M shares repurchased in Q4'23

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1. Non-GAAP net profit (loss) from continuing operations consists of GAAP net income (loss) before taxes less share-based compensation expense and non-cash interest expense; see reconciliation on Slide 23 and the section titled "Non-GAAP Financial Measures" on Slide 2 for more information.
2. Cash, cash equivalents and marketable securities.
SBC, Share-Based Compensation.

TRELEGY ELLIPTA Milestones and Royalties

GSK's TRELEGY ELLIPTA (FF/UMEC/VI): First and Only Once-Daily Single Inhaler Triple Therapy

Milestones

$200M in potential sales-based milestones[1] from 2024 to 2026:

Year	Royalty Threshold[2]	Global Net Sales Equivalent	Milestone to Theravance
2024[1]	$240M	$2,863M	$25M
	$275M	$3,213M	$50M
2025[1]	$260M	$3,063M	$25M
	$295M	$3,413M	$50M
2026[1]	$270M	$3,163M	$50M
	$305M	$3,513M	$100M

Net Sales: Q4'23 of $737M, +35% YoY; FY'23 of $2,739M, +28% YoY[2]

Royalties

Outer-Year Royalties[3] return in 2029:

- Ex-US royalties return Jul. 1, 2029
- US royalties return after Jan. 1, 2031
- Calculated on global net sales of eligible territories
- Share of royalties received equivalent to an upwardly tiered rate of 5.5 - 8.5%[4]
- Paid directly to Theravance from Royalty Pharma

GSK remains exclusively responsible for commercialization of TRELEGY ELLIPTA

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1. If both milestones are achieved in a given year, Theravance Biopharma will only earn the higher milestone.
2. Source: GSK-reported Net Sales in USD.
3. U.S. royalties expected to end late 2032; ex-U.S. royalties expected to end mid-2030s and are country specific.
4. Total royalties owed are 6.5% to 10.0% of global net sales in eligible territories; Theravance receives 85% of royalties owed.

FF, Fluticasone Furoate; UMEC, Umeclidinium; VI, Vilanterol.

2024 Financial Guidance

2024 OPEX Guidance:

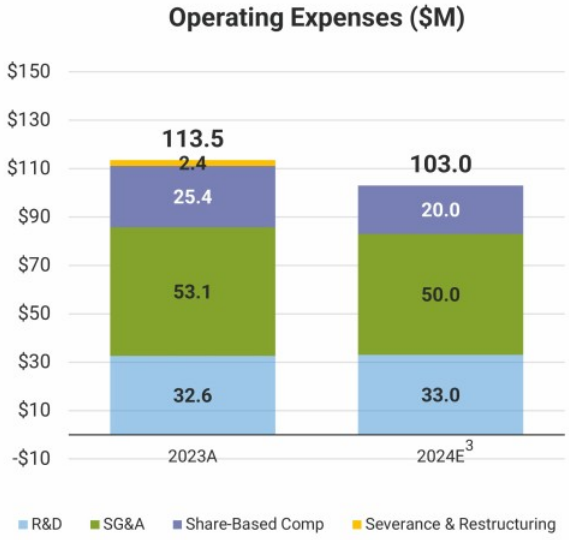
- R&D (excluding share-based comp): $30M - $36M
- SG&A (excluding share-based comp): $45M - $55M:
  - Includes G&A Y/Y reduction of ~20%
- Share-Based Compensation: $18M - $22M, ~20% Y/Y decrease

2024 Non-GAAP Profitability / Loss Guidance[1]:

- Non-GAAP Loss in 1H'24; approach Non-GAAP breakeven in 2H'24
  - Limited cash burn expected in FY 2024
- Excludes potential milestones

If achieved, TRELEGY milestones recognized as Other Income:

- Cash received will be full amount of the milestone(s)
- Accounting recognition will less than the full amount due to already recognizing a portion of the milestones at time of sale[2]; we will recognize:
  - $0M of Other Income if $25M milestone is achieved
  - $3M of Other Income if $50M milestone is achieved
- For 2024 milestones, expected cash receipt in 1H'25



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1. Non-GAAP net profit (loss) from continuing operations is expected to consist of GAAP net income (loss) before taxes less share-based compensation expense and non-cash interest expense; the section titled "Non-GAAP Financial Measures" on Slide 2 for more information. 2. The Company previously recognized a portion ($46.9M) of the total potential $250M milestones at the time of sale in July 2022; as a result, the Company will not recognize any additional milestone income until the cumulative milestone payments exceed the $46.9M previously recognized. 3. 2024 Estimates assume mid-point of Guidance.

Theravance's Strategic Focus

Grow YUPELRI®, Maximize Ampreloxetine, Optimize Financial Returns

1. **Grow YUPELRI in the United States; realize value through China expansion:**
   - Drive U.S. hospital growth as part of overall brand maximization strategy
   - Achieve up to $150M in U.S. monotherapy sales milestones; first $25M for $250M of net sales in any given year
   - Realize up to $45M in China monotherapy development and sales milestones, 14-20% tiered royalties
2. **Successfully develop and commercialize ampreloxetine globally:**
   - Retain U.S. rights, Partner ex-US
3. **Achieve Up to $200M in TRELEGY sales milestones, beginning in 2024, with royalties returning in 2029**
4. **Maintain financial strength**

Q&A Session

Rick Winningham
Chairman and Chief Executive Officer

Rhonda Farnum
Senior Vice President,
Chief Business Officer

Aziz Sawaf, CFA
Senior Vice President,
Chief Financial Officer

Áine Miller
Senior Vice President,
Development

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Medicines That Make a Difference

YUPELRI® (revefenacin) Inhalation Solution

YUPELRI® inhalation solution is indicated for the maintenance treatment of patients with chronic obstructive pulmonary disease (COPD).

Important Safety Information (US)

YUPELRI is contraindicated in patients with hypersensitivity to revefenacin or any component of this product.

YUPELRI should not be initiated in patients during acutely deteriorating or potentially life-threatening episodes of COPD, or for the relief of acute symptoms, i.e., as rescue therapy for the treatment of acute episodes of bronchospasm. Acute symptoms should be treated with an inhaled short-acting beta2-agonist.

As with other inhaled medicines, YUPELRI can produce paradoxical bronchospasm that may be life-threatening. If paradoxical bronchospasm occurs following dosing with YUPELRI, it should be treated immediately with an inhaled, short-acting bronchodilator. YUPELRI should be discontinued immediately and alternative therapy should be instituted.

YUPELRI should be used with caution in patients with narrow-angle glaucoma. Patients should be instructed to immediately consult their healthcare provider if they develop any signs and symptoms of acute narrow-angle glaucoma, including eye pain or discomfort, blurred vision, visual halos or colored images in association with red eyes from conjunctival congestion and corneal edema.

Worsening of urinary retention may occur. Use with caution in patients with prostatic hyperplasia or bladder-neck obstruction and instruct patients to contact a healthcare provider immediately if symptoms occur.

Immediate hypersensitivity reactions may occur after administration of YUPELRI. If a reaction occurs, YUPELRI should be stopped at once and alternative treatments considered.

The most common adverse reactions occurring in clinical trials at an incidence greater than or equal to 2% in the YUPELRI group, and higher than placebo, included cough, nasopharyngitis, upper respiratory infection, headache and back pain.

Coadministration of anticholinergic medicines or OATP1B1 and OATP1B3 inhibitors with YUPELRI is not recommended.

YUPELRI is not recommended in patients with any degree of hepatic impairment.

OATP, organic anion transporting polypeptide.

About YUPELRI® (revefenacin) Inhalation Solution

YUPELRI® (revefenacin) inhalation solution is a once-daily nebulized LAMA approved for the maintenance treatment of COPD in the US.

Market research by Theravance Biopharma indicates approximately 9% of the treated COPD patients in the US use nebulizers for ongoing maintenance therapy.[1] LAMAs are a cornerstone of maintenance therapy for COPD and YUPELRI® is positioned as the first once-daily single-agent bronchodilator product for COPD patients who require, or prefer, nebulized therapy. YUPELRI®'s stability in both metered dose inhaler and dry powder device formulations suggest that this LAMA could also serve as a foundation for novel handheld combination products.

1. TBPH market research (N=160 physicians); refers to US COPD patients.
COPD, chronic obstructive pulmonary disease; LAMA, long-acting muscarinic antagonist.

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Medicines That Make a Difference®

Appendix

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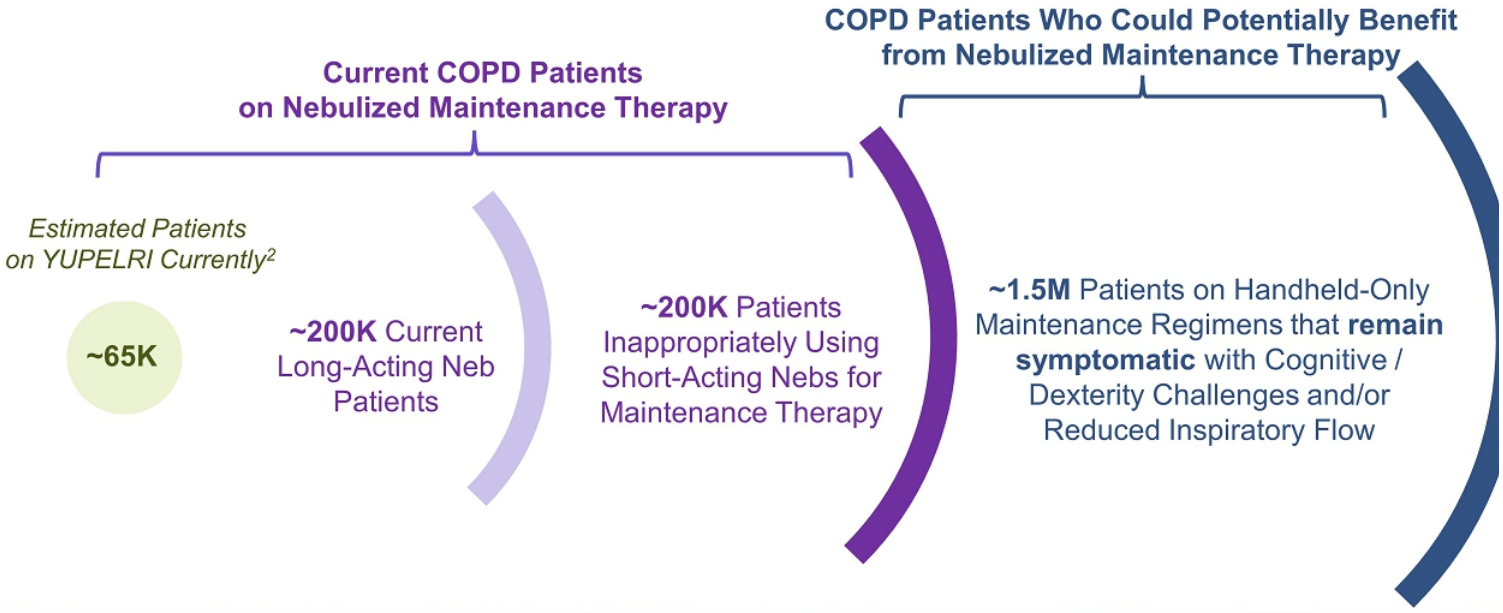
Medicines That Make a Difference®

Appendix I: YUPELRI®

Substantial Opportunity for Further YUPELRI® Growth

YUPELRI May Be Appropriate for ~2M Maintenance Patients in U.S.[1]



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1. Addressable patient population quantifies the number of patients within the intended target profile.
2. Estimated community patients on YUPELRI in 2023.

Sources: Citeline Pharma Custom Intelligence Primary Research April 2023, Symphony Health METYS Prescription Dashboard, SolutionsRx Med B FFS.
COPD, chronic obstructive pulmonary disease.

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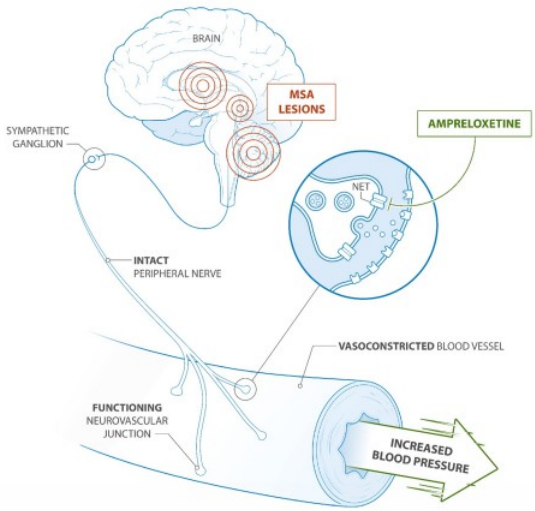
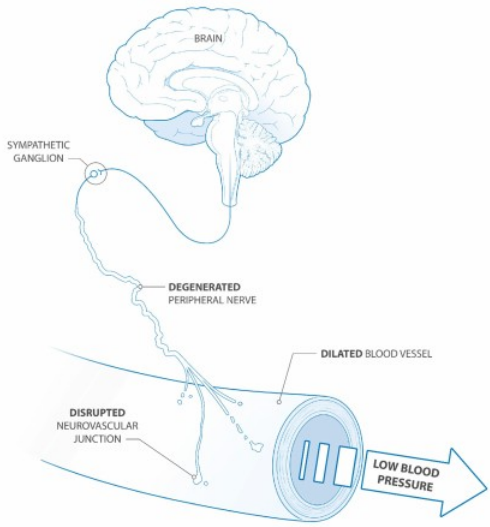
Appendix II: Ampreloxetine

Effective Treatment Requires Intact Peripheral Nerves

Multiple System Atrophy
Central Degeneration



Parkinson's Disease/Pure Autonomic Failure
Peripheral Degeneration



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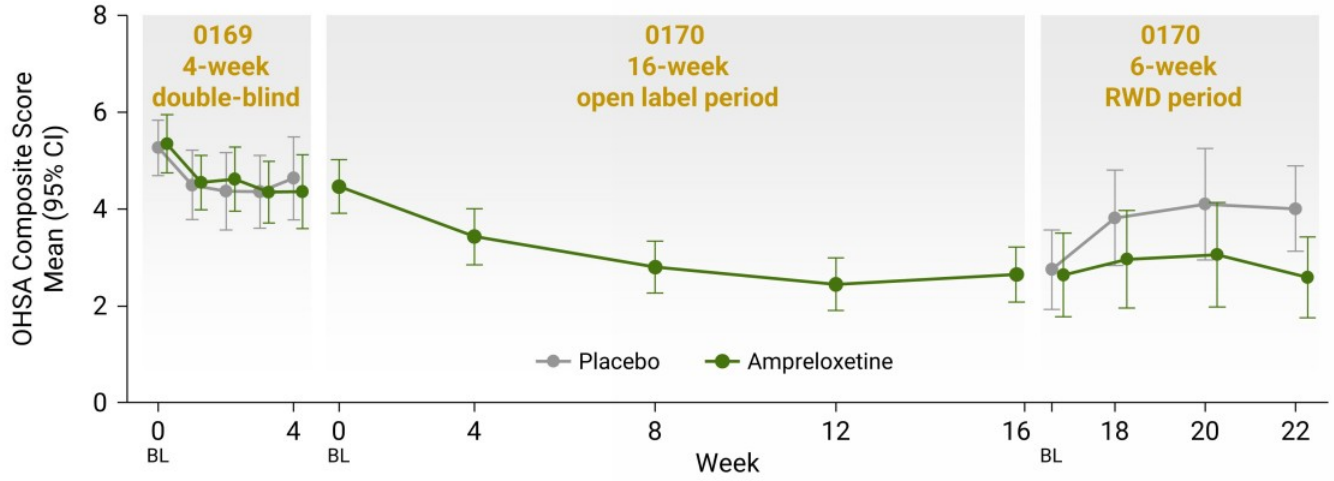
REFERENCES:
Fanciulli A, Wenning GK. Multiple-system atrophy. *N Engl J Med.* 2015;372(3):249-263.
Jordan J, Shibao C, Biaggioni I. Multiple system atrophy: using clinical pharmacology to reveal pathophysiology. *Clin Auton Res*. 2015;25(1):53-59.
MSA, multiple system atrophy.

Demonstrated Durable, Clinically-significant Symptom Improvements in MSA Patients



Placebo, n=	33	31			20	18
Ampreloxetine, n=	34	32	64	42	20	20

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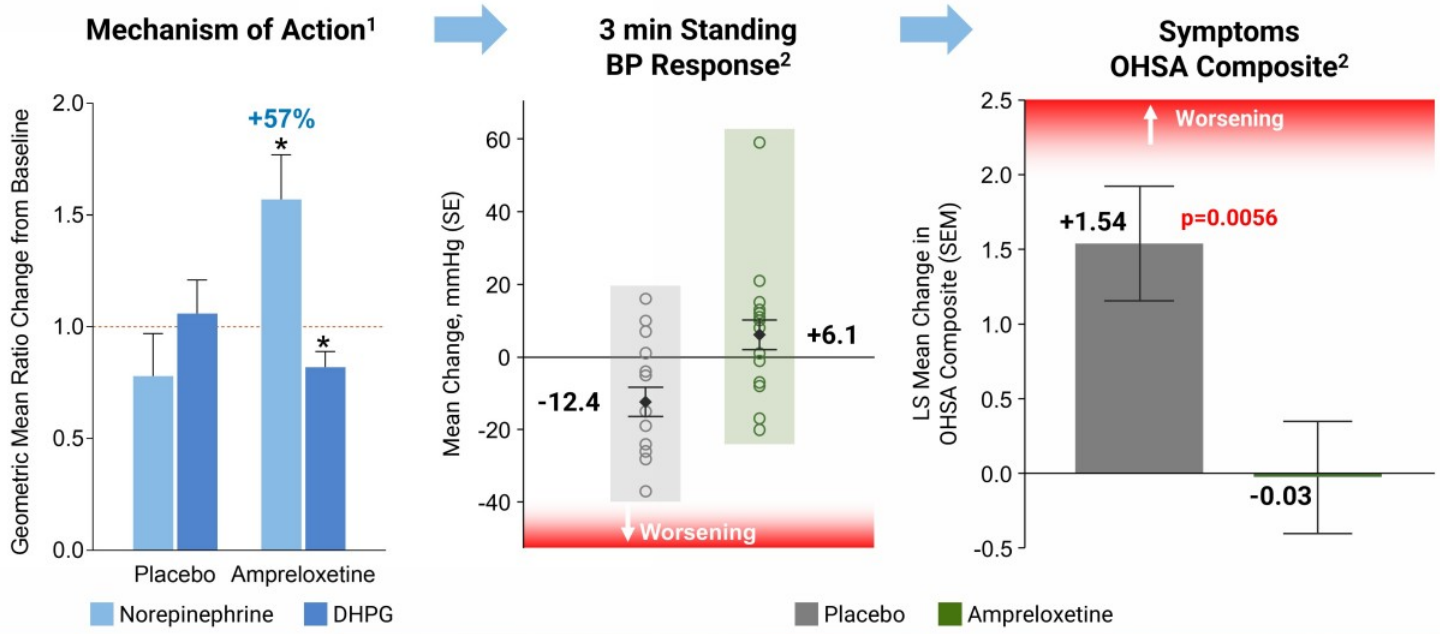
BL, baseline; CI, confidence interval; MSA, multiple system atrophy; OHSA, orthostatic hypotension symptom assessment; RWD, randomized withdrawal.

Increased Norepinephrine, Prevented Blood Pressure Drop and Symptoms Worsening in MSA Patients[1, 2]



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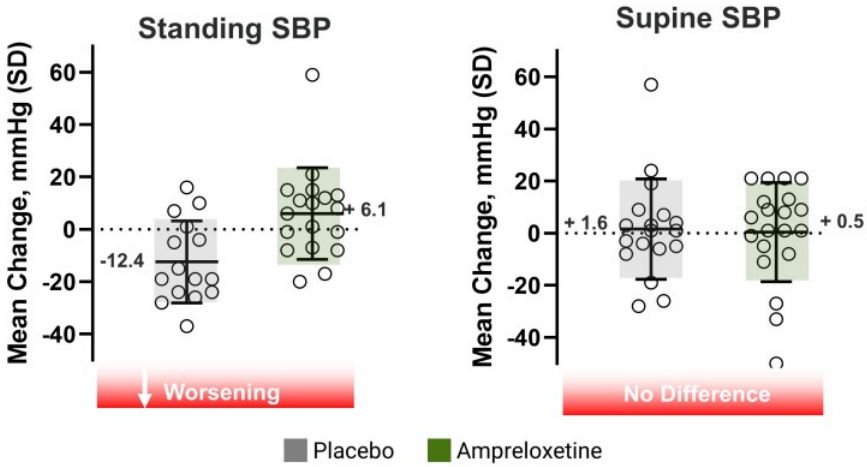
1. Data from MSA patients. Error bars represent SE. * p < 0.05 comparison to baseline reported after 4 weeks of ampreloxetine administration in study 0169.
2. Data from MSA patients at week 6 of the randomized withdrawal period of study 0170.
BP, blood pressure; DHPG, dyhydroxyphenylglycol; LS, least-squares; MSA, multiple system atrophy; OHSA, orthostatic hypotension symptom assessment; SE, standard error; SEM, standard error of mean.

Prevented Worsening of Standing SBP in MSA Patients with No Impact on Supine SBP



- **Standing blood pressure improvement of 18.5 mmHg** compared to placebo during randomized withdrawal phase
- **No difference in supine blood pressure relative to placebo**

No Signal for Supine Hypertension Observed in Safety Database of Over 800 Patients and Healthy Subjects

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Data from MSA patients at week 6 of the randomized withdrawal period of study 0170. Standing SBP measured at 3 min and supine SBP measured at 10 min. Line represents the mean +/- standard deviation.
MSA, multiple system atrophy; SBP, systolic blood pressure; SD, standard deviation.

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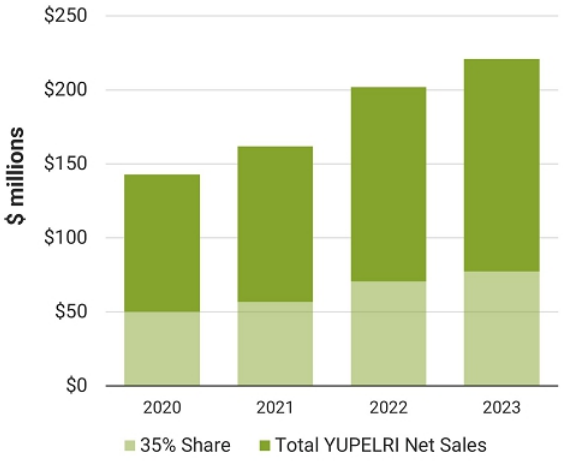
Appendix III: Corporate

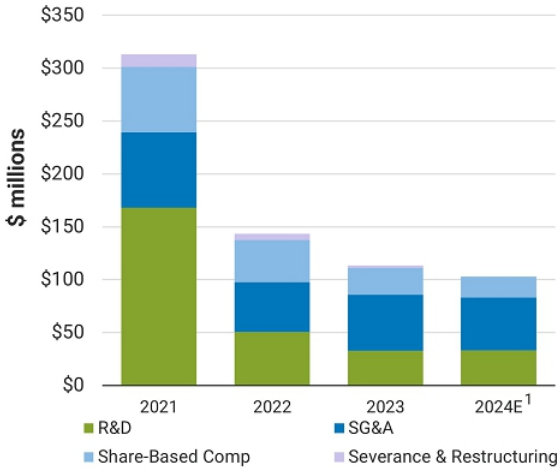
Progress Against Financial Targets

Reduction in Expense Base Combined with YUPELRI® Net Sales Growth, and No Debt

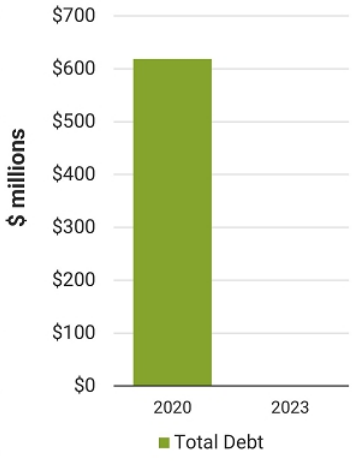
Increased Net Sales



Significant Expense Reductions



Debt Free



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1. 2024 Estimates assume mid-point of Guidance.

Granted Patent Protection Into Late 2030s

Compound	Invention	Estimated Patent Expiry
YUPELRI® / revefenacin	Composition of Matter	2028 (once PTE awarded)
	Polymorph	2030-2031
	Method for the maintenance treatment of COPD patients	2039
Ampreloxetine	Composition of Matter	2030 (plus PTE of up to 5 years)
	Method of Treating nOH	2037

COPD, Chronic obstructive pulmonary disease; nOH, neurogenic orthostatic hypotension; PTE, patent term extensions.

Viatris Collaboration Agreement Revenue

Theravance Entitled to Share of US profits (65% to Viatris; 35% to Theravance)

35% of YUPELRI® Net Sales

+

Reimbursement of shared Theravance expenses (65%)

−

Payment of shared Viatris expenses (35%)

=

Viatris Collaboration Agreement Revenue
Cash amount receivable from Viatris[1,2]

Collaboration Revenue, in any given period can fluctuate by the absolute and relative expenses incurred by Viatris and Theravance, in addition to the Net Sales generated in the period

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1. Any reimbursement from Viatris attributed to the 65% cost-sharing of our R&D expenses is characterized as a reduction of R&D expense.
2. Amount included as a receivable on the balance sheet as "Receivables from collaborative arrangements."