ROYALTY PHARMA

PRE-QUARTERLY RESULTS COMMUNICATION

NEW YORK, NY, January 15, 2021 - Royalty Pharma plc (Nasdaq: RPRX) intends to announce its financial results for the fourth quarter of 2020 on February 17, 2021. An invitation for the results webcast will follow shortly. To assist in the financial modeling of its fourth quarter 2020 results, the company has compiled the following items.

Non-GAAP Financial Measures

Royalty Pharma focuses on certain non-GAAP financial measures to manage its business. These measures, which are presented as supplemental measures to GAAP financial performance, include Adjusted Cash Receipts, Adjusted EBITDA and Adjusted Cash Flow.

Royalty Pharma believes these non-GAAP financial measures provide meaningful information on the Company's ability to generate cash from operations and on its liquidity. In addition, they can help to identify underlying trends in the business and permit investors to more fully understand how management assesses the performance of the company, including planning and forecasting for future periods (see section 'Use of Non-GAAP Financial Measures').

2021 Guidance

Royalty Pharma intends to introduce full-year 2021 guidance, including guidance for Adjusted Cash Receipts, at the time of the announcement of its fourth quarter 2020 results. Consistent with the company's practice, full-year guidance excludes the contribution from any transactions announced subsequent to the date of its earnings release.

Fourth quarter 2019 Non-GAAP Financial Data

Table 1 sets out historical non-GAAP financial data for the fourth quarter of 2019, which will form the basis for comparison of the fourth quarter 2020 non-GAAP financial results. To aid in comparability, the figures are presented on an unaudited pro forma basis, which adjusts certain cash flow line items as if Royalty Pharma's Reorganization Transactions (as described in the Company's final prospectus filed with the SEC on June 17, 2020 ('Prospectus')) and its Initial Public Offering (IPO) had taken place on January 1, 2019. The most significant difference between the pro forma and reported figures is the new non-controlling interest that resulted from the Reorganization Transactions. This new contractual non-controlling interest results in a higher distribution to non-controlling interests on a pro forma basis as compared to prior historical periods. Less material differences also arise in the Royalty Receipts line as well as payments for operating and professional costs, net interest paid, and in the payments associated with our former interest rate swap contracts.

Additional historical non-GAAP financial measures and the respective GAAP to non-GAAP reconciliations for the fourth quarter of 2019 can be found under the section 'Historical Non-GAAP Financials'.

Table 1 – Fourth quarter 2019 Non-GAAP Financial Measures (unaudited)

($ in millions)	Fourth quarter of 2019 Pro forma[3]
Net cash provided by Operating activities (GAAP)	478
Royalty Receipts	
Cystic fibrosis franchise	116
Tysabri	85
Imbruvica	76
HIV franchise	71
Januvia, Janumet, Other DPP-IVs	36
Xtandi	34
Promacta	36
Farxiga/Onglyza	-
Erleada	1
Emgality	1
Lyrica	31
Letairis	22
Other Products[4]	67
Total Royalty Receipts	**576**
Distributions to non-controlling interests	(131)
Adjusted Cash Receipts (non-GAAP)[1]	**446**
Payments for operating and professional costs	(32)
Adjusted EBITDA (non-GAAP)[5]	**413**
Development-stage funding payments – ongoing	(16)
Interest paid, net	(50)
Swap collateral (posted) or received, net	-
Investment in non-consolidated affiliates	(4)
Contributions from non-controlling interest- R&D	4
Adjusted Cash Flow (non-GAAP)[2]	**$347**

Amounts shown in the table may not add due to rounding. For footnote references, see 'Notes' on page 9.

Net cash provided by operating activities (GAAP)

Net cash provided by operating activities (GAAP) is a subtotal directly from our Statement of Cash Flows. Table 4 under 'Historical Non-GAAP Financials' provides reconciliations of our non-GAAP financial measures to their most comparable GAAP financial measures for the fourth quarter of 2019 on a pro forma basis, in each case being net cash provided by operating activities.

Adjusted Cash Receipts (non-GAAP)[1]

Adjusted Cash Receipts comprise the cash royalties received from the marketers of products in which the Company holds royalty rights, less distributions to non-controlling interests:

- Royalty receipts lag product performance by one quarter and can be estimated by applying the company's publicly disclosed royalty rate to the preceding quarter's marketer-announced net revenues on a product-by-product basis. For example, the royalty received by Royalty Pharma on Imbruvica in the fourth quarter of 2020 will reflect worldwide net sales of the product in the third quarter of 2020 ($1,700 million based on reported results from AbbVie and Johnson &

Johnson) and the tiered mid-single digit royalty rate on worldwide net sales. Tables 2 and 3 set out the reported performance of key products in the third quarter of 2020 and the royalty rates, where disclosed.

- In instances where royalty rates are tiered, royalty rates typically reset at the beginning of the year and lower royalty rates may apply in the earlier quarters of the year until pre-specified sales thresholds have been reached. As a result, royalty rates for certain products or franchises (such as HIV, Promacta and Cystic Fibrosis) have the potential to increase during the course of the calendar year, with second quarter royalty receipts often including royalties on sales at the lowest royalty tier and the fourth quarter royalty receipts including sales at a higher royalty tier.
- Non-controlling interests represent the share of royalties from substantially all pre-IPO investments which will be paid out to legacy investors. Further detail is provided under the section 'Non-controlling interests.' In the 2019 financial year, distributions to non-controlling interests were $154 million on an as reported basis and $526 million on a pro forma basis. In the third quarter of 2020, distributions to non-controlling interests amounted to $116 million on an as reported basis.

Table 2 – Net Sales Performance of Key Products, third quarter 2020 (unaudited)

($ in millions)	Marketing Company	Revenues Third quarter of 2020	% change year/year
Products			
Cystic fibrosis franchise	Vertex	1,536	62
Tysabri	Biogen	516	7
Imbruvica	AbbVie, Johnson & Johnson	1,700[1]	12
HIV franchise	Gilead, others	4,547[2]	8
Januvia, Janumet, other DPP-IVs	Merck & Co., others	1,327[3]	1
Xtandi	Pfizer, Astellas	1,069[4]	15
Promacta	Novartis	442	16
Farxiga/Onglyza	AstraZeneca	634	17
Prevymis	Merck & Co.	77	72
Crysvita[5]	Ultragenyx, Kyowa Kirin	25[5]	50
Erleada	Johnson & Johnson	206	140
Emgality	Eli Lilly	92	92
Trodelvy	Gilead	53	n/a
Nurtec ODT	Biohaven	18	n/a
Tazverik	Epizyme	3	n/a
Evrysdi	Roche	9[6]	n/a

(1) AbbVie reported US revenues of $1,119 million (+7.4% year/year); Johnson & Johnson reported International revenues of $581 million (+23% year/year).
(2) HIV revenues shown for total Gilead HIV franchise; Royalty Pharma is entitled to royalties on products that contain emtricitabine
(3) DPP-IV revenues represented in this table include Merck's Januvia and Janumet revenues.
(4) Xtandi revenues of 113.5 billion Japanese yen translated from Japanese yen at assumed average US dollar exchange rate of 106.1; year-over-year growth as reported by Astellas in Japanese yen. Xtandi growth rate in US dollars in third quarter of 2020 calculated to be 14% using the average US dollar to Japanese Yen exchange rate of 107.3 in the third quarter of 2019 and 106.1 in the third quarter of 2020.
(5) Kyowa Kirin reported EMEA revenues of 2.7 billion Japanese yen translated from Japanese yen at average US dollar exchange rate of 106.1; year-over-year growth is in Japanese Yen.
(6) Roche global revenues of 8 million swiss francs translated from swiss francs at average US dollar exchange rate of 1.09.

Table 3 – Public Disclosures of Royalty Rates by Product

Product	Estimated Royalty Expiration[1]	Royalty Rate[5]
Cystic fibrosis franchise	2037[2]	For combination therapies, sales are allocated equally to each of the active pharmaceutical ingredients; tiered royalties ranging from single digit to sub-teen percentages on annual worldwide net sales of ivacaftor, lumacaftor and tezacaftor, and mid-single digit percentages on annual worldwide net sales of elexacaftor
Tysabri	Perpetual	Contingent payments of 18% on annual worldwide net sales up to $2.0 billion and 25% on annual worldwide net sales above $2.0 billion
Imbruvica	2027-2029	Tiered royalties in the mid-single digits on annual worldwide net sales
HIV franchise	2021[3]	Royalties in the single digit percentages on annual worldwide net sales varying by product depending on contribution of emtricitabine to the total
Januvia and Janumet	2022	Royalties in the low single digit percentages on annual worldwide net sales
Xtandi	2027-2028	Royalties slightly less than 4% on annual worldwide net sales
Promacta	2025-2027	Tiered royalty ranging from 4.7% to 9.4% on annual worldwide net sales
Tazverik	2034-2036	Royalties in the mid-teen percentages on annual worldwide net sales, stepping down on annual worldwide net sales above certain sales thresholds
Crysvita	2033-2036[4]	10% royalty on EU, UK and Switzerland annual net sales
Trodelvy	Perpetual	4.15% royalty on annual worldwide net sales up to $2 billion, declining stepwise based on sales tiers to 1.75% on annual worldwide net sales above $6 billion
Nurtec ODT and zavegepant	2034-2036	2.1% royalty on annual combined worldwide net sales up to $1.5 billion; 1.5% on annual combined worldwide net sales above $1.5 billion. 0.4% incremental royalty on all Nurtec ODT worldwide net sales and up to 3.0% incremental royalty on zavegepant worldwide net sales
Prevymis	2029	Low double-digit royalty on annual worldwide net sales up to $300 million
Evrysdi	2034[6]	Tiered royalties ranging from 8% to 16% of worldwide net product sales; Royalty Pharma is entitled to approximately 43% of total royalties

Notes:

(1) Dates shown represent management's estimates of when a royalty will substantially end, which may depend on patent expiration dates (which may include patent term extensions) or other factors and may vary by geography. Royalty expiration dates can change due to patent, regulatory, commercial or other developments. There can be no assurances that our royalties will expire when expected.

(2) Royalty is perpetual; year shown represents Trikafta expected patent expiration and potential sales decline based on generic entry.

(3) Represents patent expiration date in the US as patents in major jurisdictions outside the US have expired.

(4) Royalties expire when we receive royalties equal to 1.9 times our purchase price if that happens prior to December 31, 2030, and otherwise when we receive aggregate royalties of 2.5 times our purchase price.

(5) The royalties in our portfolio are subject to the underlying contractual agreements from which they arise and may be subject to reductions or other adjustments in accordance with the terms of such agreements.

(6) Key patents on Evrysdi expire in 2034, though our royalty will cease when aggregate royalties to Royalty Pharma equal $1.3 billion.

Adjusted EBITDA (non-GAAP)[5]

Adjusted EBITDA is a non-GAAP measure used by Royalty Pharma which comprises Adjusted Cash Receipts less payments for operating and professional costs.

Adjusted Cash Flow (non-GAAP)[2]

Adjusted Cash Flow is a non-GAAP measure which is comprised of Adjusted EBITDA less ongoing development stage funding payments, net interest paid and miscellaneous other items relating to swap arrangements, investments in non-consolidated affiliates and contributions from non-controlling interests:

- In the third quarter of 2020, ongoing development stage R&D funding payments declined to $5 million, as compared to $23 million in the third quarter of 2019, as the final payment was made in the fourth quarter of 2019 for the collaboration with Pfizer on the Phase 3 studies of Ibrance in adjuvant breast cancer.
- Net interest paid reflects the weighted average cost of borrowings and the company's capital structure. In the third quarter of 2020, net interest paid was $15 million as compared to $55 million in the third quarter of 2019 on a pro forma basis due to the impact of the notes offering which closed on September 2. As noted on the company's third quarter financial results conference call, interest paid in the fourth quarter will be close to zero.

Liquidity and capital resources

As of September 30, 2020, Royalty Pharma had cash, cash equivalents and marketable securities in the amount of $2.1 billion and long-term debt outstanding of $6.0 billion.

On September 2, 2020, Royalty Pharma announced that it closed an offering of $6.0 billion senior unsecured notes (link: https://www.royaltypharma.com/static-files/5aaf01d8-3bb3-496d-83b4-2955de3eacb8) (the "Notes"). Interest on the Notes will be paid semi-annually, with the first payment occurring in the quarter ending March 31, 2021, compared to the quarterly interest payment schedule of the previous Term Loan A and B facilities. As noted on the third quarter financial results conference call, on a normalized basis, if the new debt had been in place for the full year of 2020, interest paid would have been approximately $131 million, which also includes commitment fees on the unused revolving credit facility.

Two significant royalty transactions took place in the fourth quarter, resulting in a combined cash outflow of $700 million in the period:

- On November 2, 2020, Royalty Pharma announced an agreement to acquire the residual royalty interest in Vertex Pharmaceuticals, Inc.'s cystic fibrosis (CF) treatments owned by the Cystic Fibrosis Foundation. The agreement includes an upfront payment of $575 million and a potential milestone payment of $75 million. (link: https://www.royaltypharma.com/static-files/457703fe-6701-4c91-bd43-1048ff75364d)
- Royalty Pharma announced an agreement to provide BioCryst $125 million in funding in exchange for royalties on Orladeyo and BCX9930, a development stage product candidate (link: https://www.royaltypharma.com/static-files/310d20c9-149c-4a9b-88c9-b59a718661ca).

Accounting treatment for Gilead acquisition of Immunomedics

In September 2020, Gilead and Immunomedics announced that Gilead would acquire Immunomedics for $88.00 per share in cash. The acquisition closed on October 23, 2020. The proceeds from Royalty Pharma's equity position in Immunomedics will not impact Adjusted Cash Flow. The proceeds received will be recorded in cash flows from Investing activities on the Statement of Cash Flows.

The Trodelvy royalty remains in place following the acquisition of Immunomedics.

Historical Non-GAAP Financials

Table 4: Reconciliations of Adjusted Cash Receipts, Adjusted EBITDA and Adjusted Cash Flow - Pro forma Fourth Quarter of 2019

(*$ in millions*)	Pro Forma (unaudited) Fourth quarter of 2019
Net cash provided by operating activities (GAAP)	**478**
Adjustments:	
Interest paid, net[6]	50
Development-stage funding payments – ongoing[7]	16
Payments for operating and professional costs	32
Distributions to non-controlling interests[6]	(131)
Adjusted Cash Receipts (non-GAAP)	**$446**
Net cash provided by operating activities (GAAP)	478
Adjustments:	
Interest paid, net[6]	50
Development-stage funding payments – ongoing[7]	16
Distributions to non-controlling interests[6]	(131)
Adjusted EBITDA (non-GAAP)	**$413**
Net cash provided by operating activities (GAAP)	478
Contributions from non-controlling interest[6]	4
Distributions to non-controlling interests[6]	(131)
Investment in non-consolidated affiliates[6,8]	(4)
Adjusted Cash Flow (non-GAAP)	**$347**

Amounts may not add due to rounding

For footnote references, see 'Notes' on page 9.

Non-controlling interests

Royalty Pharma includes a number of non-controlling interests (NCI) in its financial statements.

The largest of these impacting the non-GAAP financial measures is a 17.6% interest in substantially all pre-IPO investments held by some legacy investors. These legacy investors will not participate in acquisitions of royalties going forward. The interest of these legacy investors in our royalties will exist through the life of our pre-IPO investments, but will decline over time as a percentage of our Royalty receipts as products expire and we acquire new royalties.

The NCI contribution as a percent of our Royalty receipts for the third quarter of 2020 is indicated below.

Table 5 – Percentage of Royalty receipts allocated to legacy non-controlling interest holders (third quarter of 2020)

Products	Third quarter 2020 NCI as a % of Royalty Receipts
Cystic fibrosis franchise	17.6%
Tysabri	17.6%
Imbruvica	17.6%
HIV franchise	34.1%
Januvia, Janumet, Other DPP-IVs	34.1%
Xtandi	17.6%
Promacta	17.6%
Crysvita	17.6%
Erleada	17.6%
Emgality	17.6%
Prevymis	0.0%
Tazverik	17.6%
Farxiga/Onglyza	17.6%
Lyrica	34.1%
Letairis	34.1%
Nurtec ODT	17.6%
IDHIFA	0.0%
Trodelvy	17.6%
Other Products[4]	10.0%

For footnote references, see 'Notes' on page 9

Use of Non-GAAP Measures

Adjusted Cash Receipts, Adjusted EBITDA and Adjusted Cash Flow are non-GAAP measures presented as supplemental measures to our GAAP financial performance. These non-GAAP financial measures exclude the impact of certain items and therefore have not been calculated in accordance with GAAP. In each case, because our operating performance is a function of our liquidity, the non-GAAP measures used by management are presented and defined as supplemental liquidity measures. We caution readers that amounts presented in accordance with our definitions of Adjusted Cash Receipts, Adjusted EBITDA, and Adjusted Cash Flow may not be the same as similar measures used by other companies. Not all companies and analysts calculate the non-GAAP measures we use in the same manner. We compensate for these limitations by using non-GAAP financial measures as supplements to GAAP financial measures and by presenting the reconciliations of the non-GAAP financial measures to their most comparable GAAP financial measures, in each case being Net cash provided by operating activities.

Adjusted Cash Receipts is a measure calculated with inputs directly from the Statement of Cash Flows and includes (1) royalty receipts: (i) Cash collections from royalty assets (financial assets and intangible assets), (ii) *Other royalty cash collections*, (iii) *Distributions from non-consolidated affiliates*, plus (2) *Proceeds from available for sale debt securities* (Tecfidera milestone payments), and less (3) *Distributions to non-controlling interest*.

Adjusted EBITDA is important to our lenders and is defined under the credit agreement as Adjusted Cash Receipts less payments for operating and professional costs. Operating and professional costs are comprised of *Payments for operating costs and professional services* and *Payments for rebates* from the Statement of Cash Flows.

Adjusted Cash Flow is defined as Adjusted EBITDA less (1) *Development-stage funding payments – ongoing*, (2) Interest paid, net, (3) Swap collateral (posted) or received, net, (4) *Swap termination payments,* and (5) *Investment in non-consolidated affiliates*, and plus (1) *Contributions from non-controlling interest- R&D*, all directly reconcilable to the Statement of Cash Flows.

We believe that Adjusted Cash Receipts and Adjusted Cash Flow provide meaningful information about our operating performance because the business is heavily reliant on its ability to generate consistent cash flows and these measures reflect the core cash collections and cash charges comprising our operating results. Management strongly believes that our significant operating cash flow is one of the attributes that attracts potential investors to our business.

In addition, we believe that Adjusted Cash Receipts and Adjusted Cash Flow help identify underlying trends in the business and permit investors to more fully understand how management assesses the performance of the Company, including planning and forecasting for future periods. Adjusted Cash Receipts and Adjusted Cash Flow are used by management as key liquidity measures in the evaluation of the Company's ability to generate cash from operations. Both measures are an indication of the strength of the Company and the performance of the business. Management uses Adjusted Cash Receipts and Adjusted Cash Flow when considering available cash, including for decision-making purposes related to funding of acquisitions, voluntary debt repayments, dividends and other discretionary investments. Further, these non-GAAP financial measures help management, the audit committee, and investors evaluate the Company's ability to generate liquidity from operating activities.

Management believes that Adjusted EBITDA is an important non-GAAP measure in analyzing our liquidity and is a key component of certain material covenants contained under our debt agreements. Noncompliance with the interest coverage ratio and leverage ratio covenants under the credit agreement could result in our lenders requiring the Company to immediately repay all amounts borrowed. If we cannot satisfy these financial covenants, we would be prohibited under our credit agreement from engaging in certain activities, such as incurring additional indebtedness, paying dividends, making certain payments, and acquiring and disposing of assets. Consequently, Adjusted EBITDA is critical to the assessment of our liquidity.

Management uses Adjusted Cash Flow to evaluate its ability to generate cash and performance of the business and to evaluate the Company's performance as compared to its peer group. Management also uses Adjusted Cash

Flow to compare its performance against non-GAAP adjusted net income measures used by many companies in the biopharmaceutical industry, even though each company may customize its own calculation and therefore one company's metric may not be directly comparable to another's. We believe that non-GAAP financial measures, including Adjusted Cash Flow, are frequently used by securities analysts, investors, and other interested parties to evaluate companies in our industry.

The non-GAAP financial measures used in this release have limitations as analytical tools, and you should not consider them in isolation or as a substitute for the analysis of our results as reported under GAAP.

Notes

(1) Adjusted Cash Receipts is a measure calculated with inputs directly from the Statement of Cash Flows and includes (1) royalty receipts: (i) Cash collections from royalty assets (financial assets and intangible assets), (ii) Other royalty cash collections, (iii) Distributions from non-consolidated affiliates, plus (2) Proceeds from available for sale debt securities (Tecfidera milestone payments), and less (3) Distributions to non-controlling interest, which represents distributions to our historical non-controlling interest attributable to a de minimis interest in RPCT held by certain legacy investors and to a new non-controlling interest that was created as a result of the Exchange Offer Transactions in February 2020 related to the Legacy Investors Partnerships' ownership of approximately 18% in Old RPI. See our Prospectus for additional discussion. See GAAP to Non-GAAP reconciliation at Table 4.

(2) Adjusted Cash Flow is defined as Adjusted EBITDA less (1) Development-stage funding payments – ongoing, (2) Interest paid, net, (3) Swap collateral (posted) or received, net, (4) Swap termination payments, and (5) Investment in non-consolidated affiliates, and plus (1) Contributions from non-controlling interest- R&D, all directly reconcilable to the Statement of Cash Flows. See GAAP to Non-GAAP reconciliation at Table 5.

(3) To aid in comparability, the figures are also presented on an unaudited pro forma basis, which adjusts certain cash flow line items as if Royalty Pharma's Reorganization Transactions (as described in the Company's final prospectus filed with the SEC on June 17, 2020) and its IPO had taken place on January 1, 2019. The most significant difference between the pro forma and reported figures is the new non-controlling interest that resulted from the Reorganization Transactions. This new contractual non-controlling interest results in a higher distribution to non-controlling interests on a pro forma basis as compared to prior historical periods. Less material differences also arise in the Royalty Receipts line for 'Other Products' as well as Payments for operating and professional costs, and interest paid, net.

(4) Other Products include royalties on the following products: Bosulif (a product co-developed by our joint venture investee, Avillion, for which receipts are presented as distributions received from non-consolidated affiliates on the Statement of Cash Flows), Cimzia, Conbriza/Fablyn/Viviant, Entyvio, Lexiscan, Mircera, Myozyme, Nesina, Prezista, Priligy, Soliqua and Thalomid. Other Products also include contributions from the Legacy SLP Interest and a distribution from Avillion in respect of the Merck KGaA Asset, for which development ceased in 2020, and for which the second quarter of 2020 cash receipt is presented as distributions received from non-consolidated affiliates in both the operating and investing section of the Statement of Cash Flows.

(5) Adjusted EBITDA is important to our lenders and is defined under the credit agreement Adjusted Cash Receipts less payments for operating and professional costs. Operating and professional costs are comprised of Payments for operating costs and professional services and Payments for rebates from the Statement of Cash Flows. See GAAP to Non-GAAP reconciliation at Table 4.

(6) The table below shows the line item for each adjustment and the direct location for such line item on the Statement of Cash Flows.

Reconciling adjustment	Statement of Cash Flows classification
Investments in non-consolidated affiliates	Investing activities
Distributions to non-controlling interests	Financing activities
Interest paid, net	Operating activities (Interest paid less Interest received)
Distributions from non-consolidated affiliates—investing	Investing activities

(7) Our lenders consider all payments made to support R&D activities for products undergoing late-stage development similar to asset acquisitions as these funds are expected to generate operational returns in the future. All development-stage funding payments—ongoing and upfront—run through R&D funding expense in net income and are added back in aggregate to Net cash provided by operating activities to arrive at Adjusted EBITDA. As a result, Adjusted EBITDA captures the full add-back for R&D funding payments while Adjusted Cash Flow only reflects the add-back for the upfront portion of development-stage funding payments due to the fact that development-stage funding payments – ongoing are considered an ongoing business expense.
(8) We consider all payments to fund our operating joint ventures that are performing research and development activities for products undergoing late-stage development similar to asset acquisitions as these funds are expected to generate operational returns in the future. As a result, amounts funded through capital calls by our equity method investees, the Avillion entities, are deducted to arrive at Adjusted Cash Flow, but are not deducted in Adjusted EBITDA.

About Royalty Pharma

Founded in 1996, Royalty Pharma is the largest buyer of biopharmaceutical royalties and a leading funder of innovation across the biopharmaceutical industry, collaborating with innovators from academic institutions, research hospitals and not-for-profits through small and mid-cap biotechnology companies to leading global pharmaceutical companies. Royalty Pharma has assembled a portfolio of royalties which entitles it to payments based directly on the top-line sales of many of the industry's leading therapies. Royalty Pharma funds innovation in the biopharmaceutical industry both directly and indirectly - directly when it partners with companies to co-fund late-stage clinical trials and new product launches in exchange for future royalties, and indirectly when it acquires existing royalties from the original innovators. Royalty Pharma's current portfolio includes royalties on more than 45 commercial products, including AbbVie and J&J's Imbruvica, Astellas and Pfizer's Xtandi, Biogen's Tysabri, Gilead's HIV franchise, Merck's Januvia, Novartis' Promacta, and Vertex's Kalydeco, Orkambi, Symdeko and Trikafta, and four development-stage product candidates. For more information, visit www.royaltypharma.com.

Forward-Looking Statements

The information set forth herein does not purport to be complete or to contain all of the information you may desire. Statements contained herein are made as of the date of this document unless stated otherwise, and neither the delivery of this document at any time, nor any sale of securities, shall under any circumstances create an implication that the information contained herein is correct as of any time after such date or that information will be updated or revised to reflect information that subsequently becomes available or changes occurring after the date hereof.

This document contains statements that constitute "forward-looking statements" as that term is defined in the United States Private Securities Litigation Reform Act of 1995, including statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results, in contrast with statements that reflect historical facts. Examples include discussion of our strategies, financing plans, growth opportunities and market growth. In some cases, you can identify such forward-looking statements by terminology such as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project," "expect," "may," "will," "would," "could" or "should," the negative of these terms or similar expressions. Forward-looking statements are based on management's current beliefs and assumptions and on information currently available to the Company. However, these forward-looking statements are not a guarantee of our performance, and you should not place undue reliance on such statements. Forward-looking statements are subject to many risks, uncertainties and other variable circumstances, and other factors. Such risks and uncertainties may cause the statements to be inaccurate and readers are cautioned not to place undue reliance on such statements. Many of these risks are outside of the Company's control and could cause its actual results to differ materially from those it thought would occur. The forward-looking statements included in this document are made only as of the date

hereof. The Company does not undertake, and specifically declines, any obligation to update any such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments, except as required by law.

Certain information contained in this document relates to or is based on studies, publications, surveys and other data obtained from third-party sources and the Company's own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this document, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. In addition, all of the market data included in this document involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while the Company believes its own internal research is reliable, such research has not been verified by any independent source.

For further information, please reference our reports and documents filed with the U.S. Securities and Exchange Commission (SEC). You may get these documents by visiting EDGAR on the SEC website at www.sec.gov.

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