ROYALTY PHARMA

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Royalty Pharma plc

Q2 2020 Financial Results

August 12, 2020

Forward Looking Statements & Non-GAAP Financial Information

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Also, the discussions during this conference call will include certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (GAAP). Additional information regarding non-GAAP financial measures can be found on slide 20 and in Royalty Pharma's current report on Form 8-K dated August 12, 2020, which are available on our website. Any non-U.S. GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by U.S. GAAP, have no standardized meaning prescribed by U.S. GAAP and may not be comparable to the calculation of similar measures of other companies.

Agenda

Key Highlights	Pablo Legorreta	Founder & Chief Executive Officer
Royalty Acquisitions	Marshall Urist	SVP, Research & Investments
Financial Results	Terrance Coyne	EVP, Chief Financial Officer
Conclusion	Pablo Legorreta	Founder & Chief Executive Officer
Q&A	Pablo Legorreta Terrance Coyne Chris Hite George Lloyd Marshall Urist	Founder & Chief Executive Officer EVP, Chief Financial Officer EVP, Vice Chairman EVP, General Counsel and Investments SVP, Research and Investments

Key Highlights

Pablo Legorreta

Founder & Chief Executive Officer

ROYALTY PHARMA

2020 has been a landmark year for Royalty Pharma

Successful IPO raising $1.9 billion in net primary proceeds

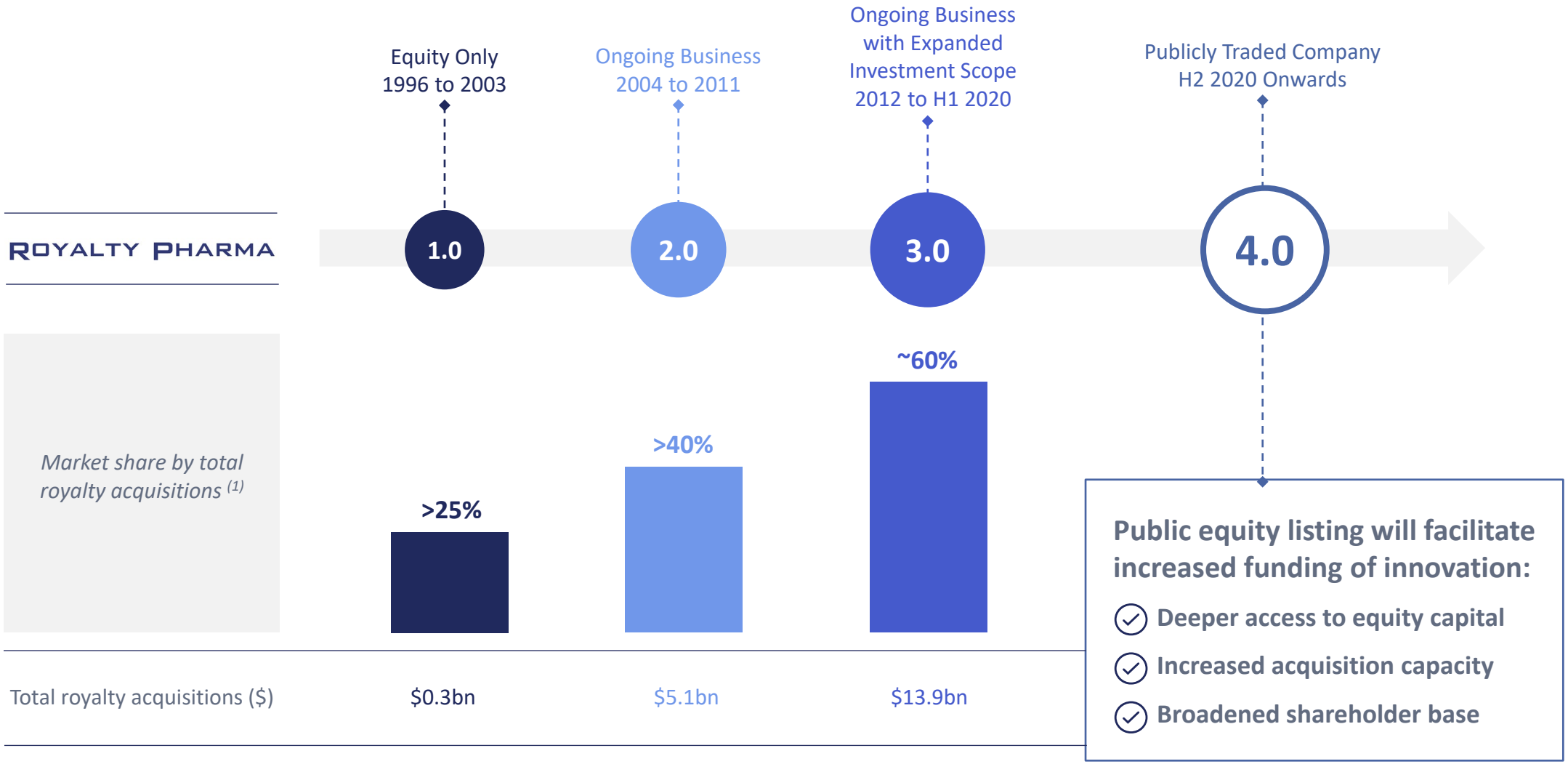
Strong financial results delivering double-digit top and bottom line growth[(1)] in Q2 2020

Further expanded portfolio with new royalty acquisitions and product approvals

Strengthened corporate governance with four new Board members appointed[(2)]

1. Adjusted Cash Receipts and Adjusted Cash Flow, respectively. See definitions on slide 20.
2. New Board members include Bonnie Basler, Cathy Engelbert, Henry Fernandez and Ted Love

IPO is a major milestone positioning us to extend our leadership

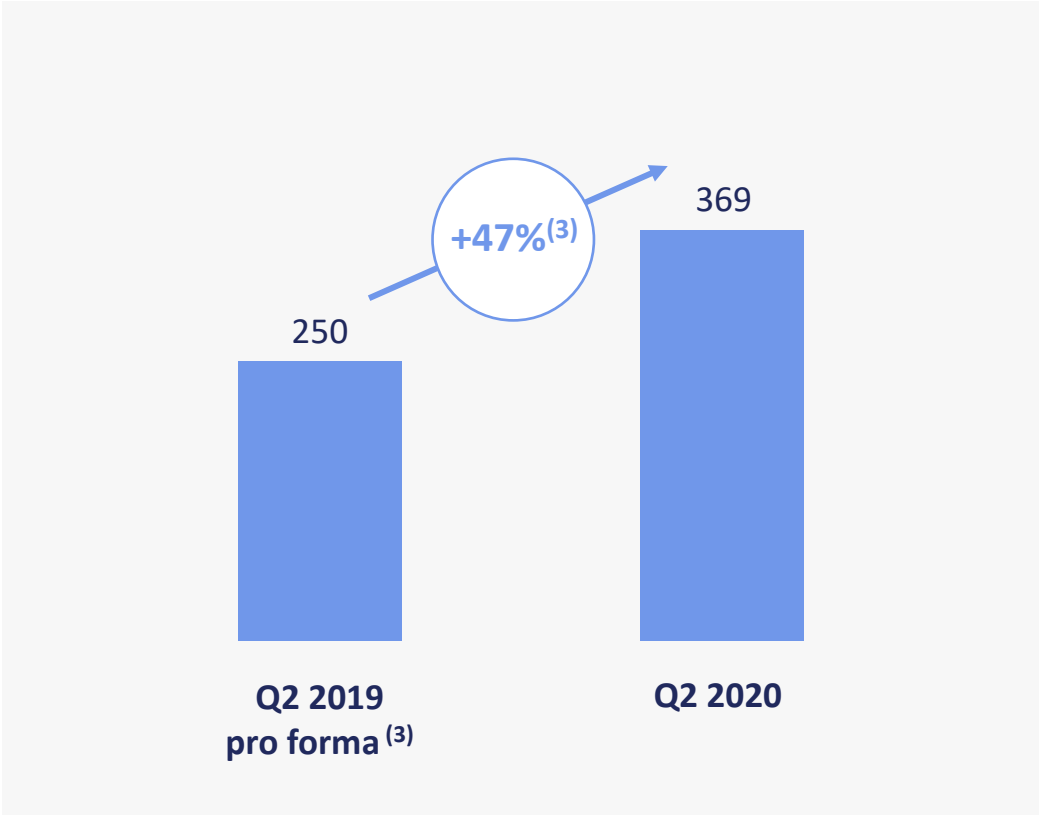


1. Internal estimates. Data reflects full announced transaction values. Total royalty acquisitions and estimated market share shown to June 2020.

Strong Q2 2020 financial results

Adjusted Cash Receipts[1,2]
($ in millions)

Adjusted Cash Flow[1,2]
($ in millions)



1. See slide 20 for definitions
2. Refer to Royalty Pharma's Current Report on Form 8-K dated August 12, 2020 for a GAAP to non-GAAP reconciliation
3. On pro forma basis. See slide 20 for additional information

Royalty Acquisitions

Marshall Urist, MD, PhD

Senior Vice President
Research and Investments

ROYALTY PHARMA

Recent royalty acquisitions continue business momentum

	Biohaven CGRP funding	PTC royalty on Evrysdi	Agios royalty on IDHIFA	AiCuris royalty on Prevymis
Transaction size	Up to $450 million[1]	$650 million	$255 million	$220 million
Royalty Holder	Biohaven	PTC	Agios	AiCuris
Indications	Migraine[2]	SMA types 1, 2 and 3	R/R AML[3]	CMV infection and disease[4]
Marketers	Biohaven	Roche	Bristol-Myers Squibb	Merck & Co.
Therapies	Nurtec ODT / zavegepant	Evrysdi	IDHIFA®	PREVYMIS™
Regulatory status	• Nurtec approved in U.S. • zavegepant entering Phase 3[5]	Approved in U.S.	Approved in U.S.	Approved in U.S., EU, Japan
Date Announced	August 7, 2020	July 20, 2020	June 12, 2020	June 9, 2020

Approximately $1.7 billion in transactions announced this year[6]

CGRP: Calcitonin Gene Related Peptide; SMA: Spinal Muscular Atrophy; R/R AML: Relapsed Refractory Acute Myeloid Leukemia; CMV: Cytomegalovirus

1. Biohaven will receive a $150 million upfront payment, a $100 million payment upon the start of the oral zavegepant phase 3 program and $200 million for the sale of Preferred Equity payable between 2021 and 2024
2. Nurtec ODT (rimegepant) is currently approved for the acute treatment of migraine; rimegepant has not been reviewed by regulatory agencies for the preventive treatment of migraine
3. Full indication: adult patients with relapsed or refractory acute myeloid leukemia (AML) with an isocitrate dehydrogenase-2 (IDH2) mutation
4. Full indication: prophylaxis of CMV infection and disease in adult CMV-seropositive recipients [R+] of an allogeneic hematopoietic stem cell transplant (HSCT) who are at high risk for CMV reactivation
5. Zavegepant intranasal Phase III trial for the acute treatment of migraine is expected to start by the end of the year
6. Includes investments relating to Entyvio, Prevymis, IDHIFA, Evrysdi, Nurtec ODT/zavegepant

Financial Results

Terrance Coyne

Executive Vice President
Chief Financial Officer

ROYALTY PHARMA

Total Royalty Receipts growth of 20%[(1)] in Q2 2020

CF Franchise

TYSABRI

imbruvica

HIV Franchise

Xtandi

DPP-IV Franchise

PROMACTA

Other

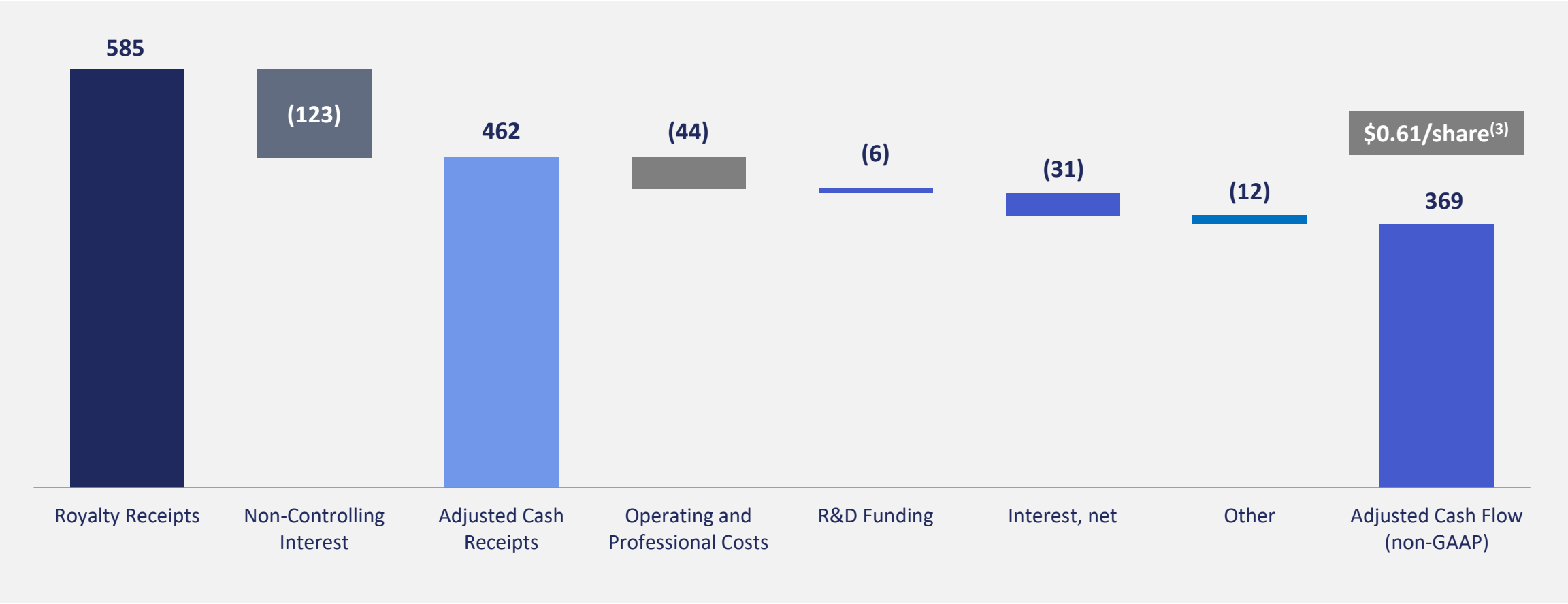
Selected Products	Royalty Receipts $ in millions	Q2 2020 Growth % year/year
CF Franchise	136	59
TYSABRI	93	13
imbruvica	82	23
HIV Franchise	65	24
Xtandi	34	26
DPP-IV Franchise	35	-15
PROMACTA	27	38
Other	114	2

Amounts may not add due to rounding

1. Growth on Q2 2019 pro forma basis

Strong Adjusted Cash Flow margin in Q2 2020

Q2 2020 Adjusted Cash Flow (Non-GAAP)[1,2]



% ACR	9.6%	6.7%	79.8%

ACR: Adjusted Cash Receipts

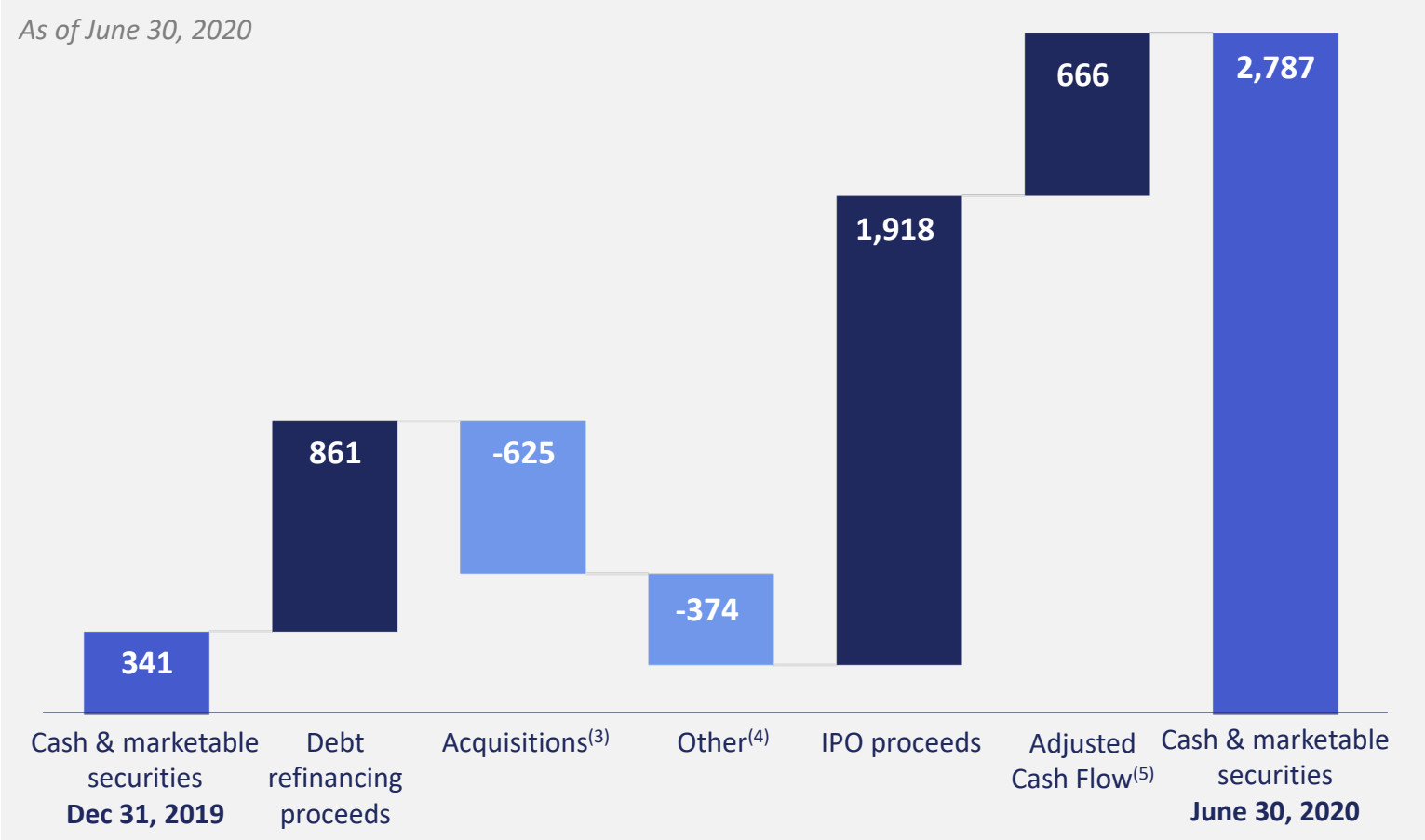
1. Refer to slide 20 for definitions
2. Refer to Royalty Pharma's Current Report on Form 8-K dated August 12, 2020 for a GAAP to non-GAAP reconciliation
3. Illustrative figure; based on fully diluted share count of 607.1 million as of June 30, 2020 following the IPO

Balance sheet well positioned to drive new royalty acquisitions

- Net IPO proceeds of $1,918 million
- $2,787 million of cash, cash equivalents and marketable securities as of June 30, 2020
- $5.9 billion of investment grade-rate debt
  - Total leverage of 3.5x(1)
  - Net leverage of 1.9x(2)
- Low cost of debt (~1.8%)

Cash, cash equivalents & marketable securities: H1 2020 evolution

($ in millions)



1. Total leverage = Total debt / EBITDA as defined in credit agreement; See Exhibit 10-2 of the RPRX registration statement for credit agreement
2. Net leverage = Total debt less cash and marketable securities as defined in credit agreement; See Exhibit 10-2 of the RPRX registration statement for credit agreement
3. Primarily relates to acquisitions of Entyvio and additional Epizyme equity in Q1 2020 and Prevymis, IDHIFA acquisitions in Q2 2020
4. Distributions to shareholders, debt amortization and other
5. Refer to slide 20 for definitions; Refer to Royalty Pharma's Current Report on Form 8-K dated August 12, 2020 for a GAAP to non-GAAP reconciliation

FY 2020 guidance[1,2]

Adjusted Cash Receipts:
$1,720 to $1,760 million
ex-new transactions

Operating & professional costs:
approximately 10%
of Adjusted Cash Receipts

1. See Slide 20 for definitions and for additional information regarding Royalty Pharma's 2020 financial guidance
2. This guidance assumes no major unforeseen adverse events and excludes the contributions from transactions announced subsequent to the date of this press release. Furthermore, Royalty Pharma reserves the right to amend its guidance in the event it engages in new royalty transactions which have a material near-term financial impact on the Company.

Conclusion

Pablo Legorreta

Founder & Chief Executive Officer

ROYALTY PHARMA

Our clear strategic plan to continue growth

Approved therapies

Select examples

Xtandi

PROMACTA®

Entyvio

Acquire royalties on market-leading approved therapies

Late-Stage Development

Select examples

imbruvica®

trikafta™

TAZVERIK™

Acquire royalties on late-stage therapies with strong PoC data

M&A

Select examples

TYSABRI®

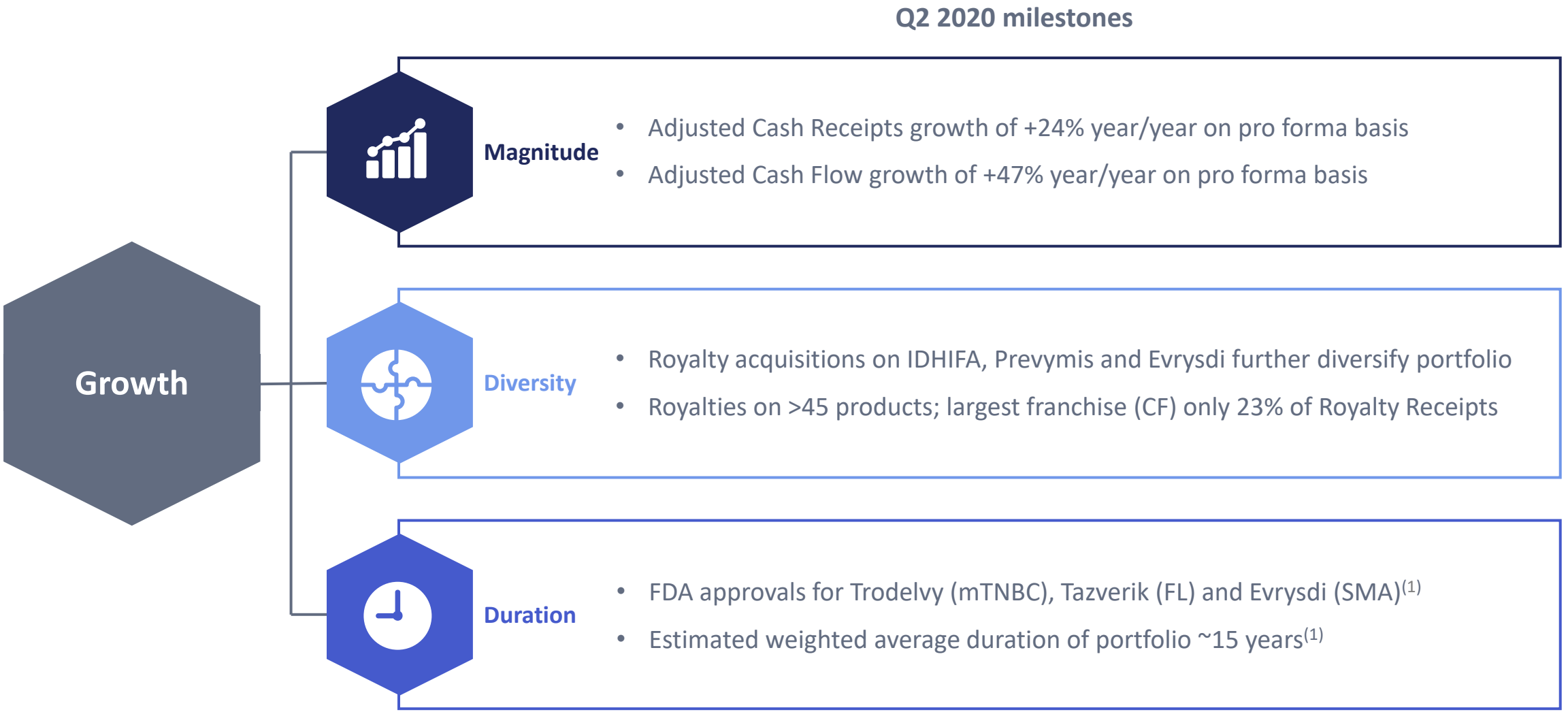
Januvia®

HUMIRA®

Acquire royalties through M&A transactions

PoC: Proof of concept

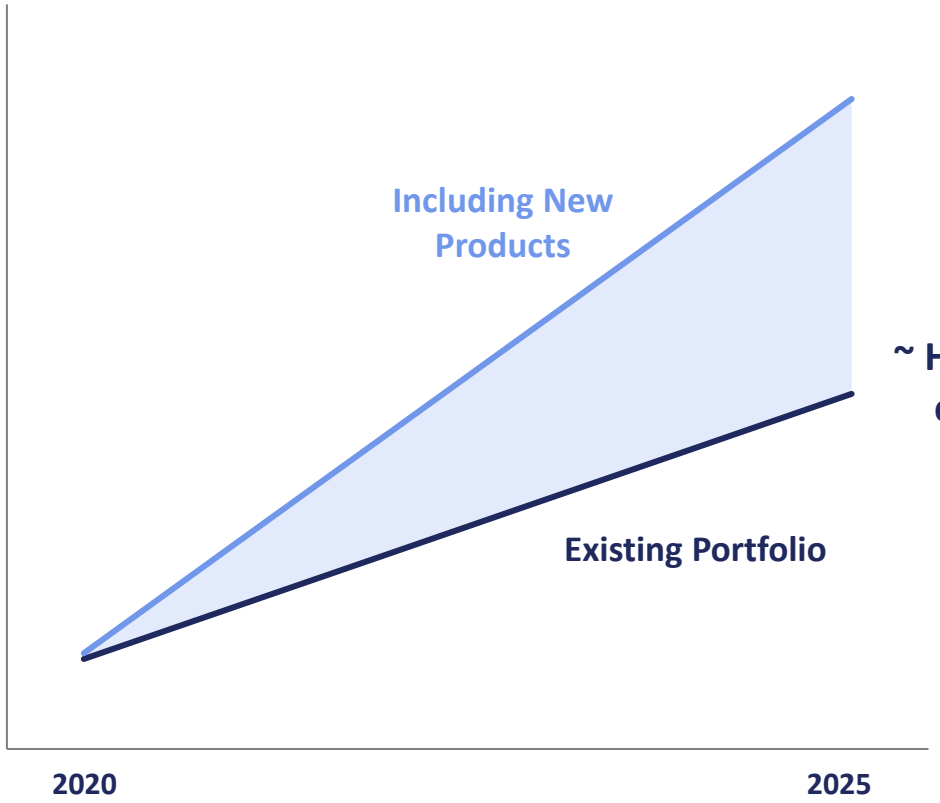
Q2 2020 - Strong growth and continued execution on strategy



mTNBC: metastatic triple negative breast cancer; FL: follicular lymphoma
1. Weighted average portfolio royalty duration is based on projected cumulative cash royalty receipts

Capital deployment strategy expected to drive long-term growth

Adjusted Cash Receipts



Long-Term Goals

6% to 9% CAGR

~ Half of growth from existing Portfolio

Capital Allocation Objectives

- >$7Bn in total acquisitions over the next 5 years
  - Returns in excess of our cost of capital
  - Weighted average portfolio duration >10 years
- Payout ~25% of Adjusted Cash Flow in dividends
  - Initial quarterly dividend of $0.15 per share
  - Committed to dividend growth
- Maintain investment grade credit ratings

See Slide 20 for definitions and for additional information regarding Royalty Pharma's 2020 financial guidance

Footnotes

1) To aid in comparability, % changes have been calculated based on the three months ended June 30, 2019 figures 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. A new contractual non-controlling interest arose in the Reorganization Transactions that 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 Growth Products' as well as Payments for operating and professional costs, interest paid, net, and in the payments associated with our former interest rate swap contracts.

2) 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 Royalty Pharma Collection Trust ("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 in the Company's current report on Form 8-K dated August 12, 2020.

3) Adjusted Cash Flow is calculated as Adjusted Cash Receipts less (1) payments for operating and professional costs, (2) Development-stage funding payments – ongoing, (3) Interest paid, net, (4) Swap collateral (posted) or received, net, (5) Swap termination payments, and (6) Investment in non-consolidated affiliates, and plus (1) Contributions from non-controlling interest-R&D, all directly reconcilable to the Statement of Cash Flows.

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 nonconsolidated affiliates* on the Statement of Cash Flows), Cimzia, Conbriza/Fablyn/Viviant, Entyvio, Lexiscan, Mircera, Myozyme, Nesina, Prezista, Priligy, Rotateq, Savella, 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 receipt is presented as Distributions received from non-consolidated affiliates in both the operating and investing section of the Statement of Cash Flows.

Financial Guidance footnote

5) Royalty Pharma has not reconciled its non-GAAP 2020 guidance to the most directly comparable GAAP measure, cash flow from operations, at this time due to the inherent difficulty in accurately forecasting and quantifying certain amounts that are necessary for such reconciliation, including, primarily, payments for operating and professional costs, distributions from non-consolidated affiliates, and interest received. We are not able to forecast on a GAAP basis with reasonable certainty all adjustments needed in order to project cash flow from operations on a GAAP basis at this time.

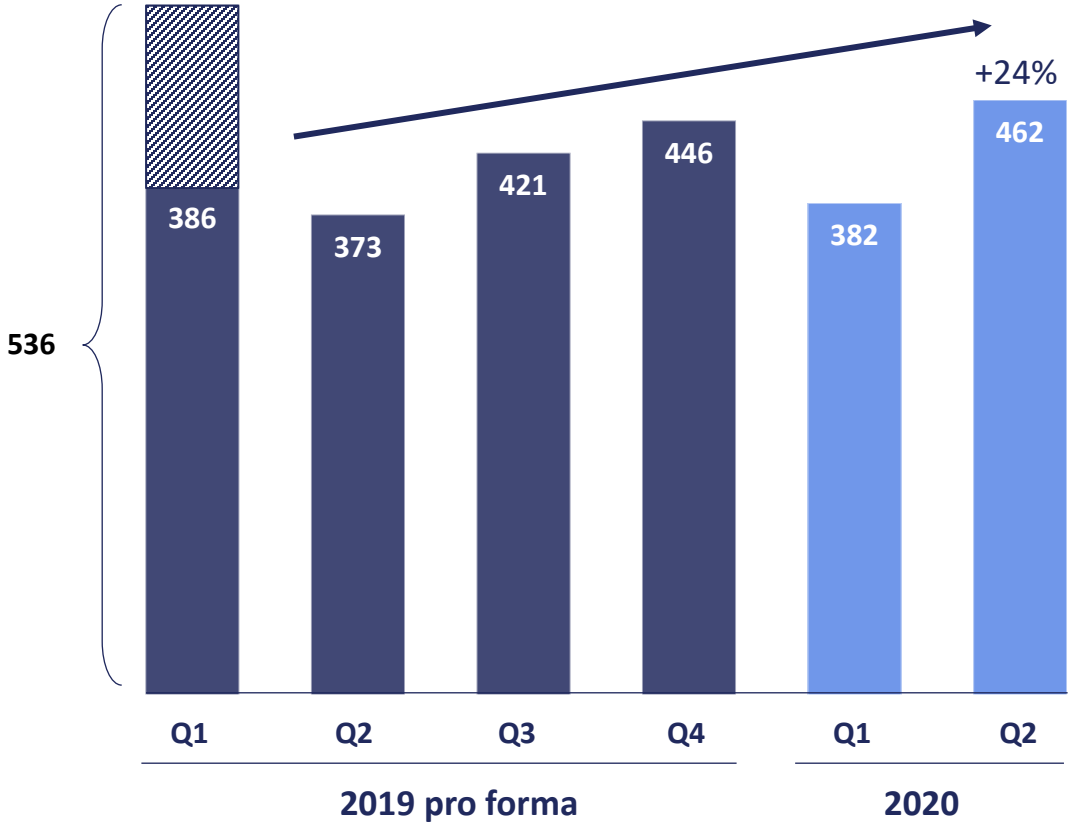
Appendix

ROYALTY PHARMA

Steadily increasing top and bottom line growth

Adjusted Cash Receipts[1,2,3]

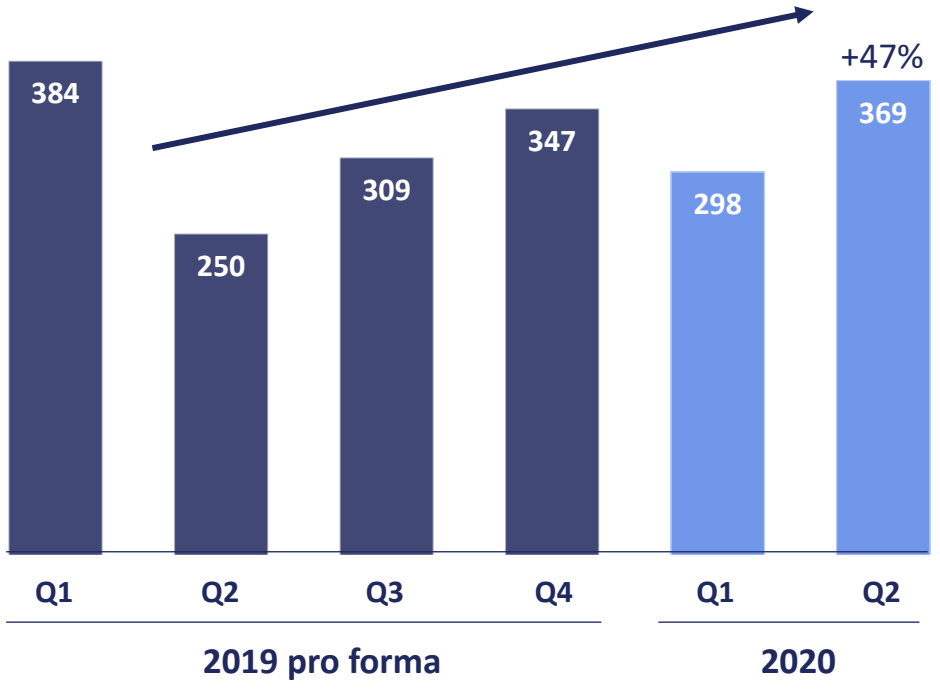
($ in millions, year/year growth)



Tecfidera payment ($150 million)

Adjusted Cash Flow[1,2,3]

($ in millions, year/year growth)



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3. On pro forma basis. See slide 20 for additional information

Distributions to non-controlling interest

- Royalty Pharma includes several non-controlling interests in our financial statements.
- The largest of these is an ~17.6% interest in substantially all of our 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 will exist through the life of our pre-IPO investments, but will decline over time as a percentage of our assets as products expire and we acquire new royalties.

Royalty	Q2 2020 NCI as a % of Royalty Receipts
Cystic fibrosis franchise	17.6%
Tysabri	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%
Farxiga/Onglyza	17.6%
Lyrica	34.1%
Letairis	34.1%
Other Products (Blended) [1]	21.3%

1. Represents a weighted-blend of Distributions to non-controlling interest for royalties in Other Products