

ROYALTY PHARMA ANNOUNCES AGREEMENT TO PURCHASE UP TO \$1.5 BILLION OF PTC THERAPEUTICS' ROYALTY ON EVRYSDI

- Royalty Pharma purchases a portion of royalties on Roche's Evrysdi for \$1.0 billion upfront
- PTC Therapeutics has option to sell rest of royalty for up to \$500 million; Royalty Pharma has option to buy half of rest of royalty for up to \$250 million
- Transaction expected to enhance long-term Adjusted Cash Receipts growth (non-GAAP)
- Royalty Pharma to host conference call today, Thursday, October 19 at 9:00am EDT

NEW YORK, NY, October 19, 2023 - Royalty Pharma plc (Nasdaq: RPRX) announced today an agreement with PTC Therapeutics, Inc. to acquire additional royalties on Roche's Evrysdi for \$1.0 billion upfront. The agreement includes options for PTC to sell up to all of its retained royalties on Evrysdi for up to \$500 million or for Royalty Pharma to acquire half of such retained royalties for up to \$250 million at a later date.

Evrysdi, marketed by Roche, is an orally administered survival motor neuron-2 (SMN2) splicing modifier for the treatment of spinal muscular atrophy (SMA). Evrysdi was approved by the U.S. Food and Drug Administration (FDA) in 2020 and has treated over 11,000 patients worldwide. In 2022, Evrysdi generated sales of approximately CHF 1.1 billion (\$1.2 billion), an increase of 87% at constant exchange rates versus the prior year.

"We are excited to acquire an additional royalty interest in Evrysdi, a convenient, oral therapy that has transformed the lives of SMA patients worldwide" said Pablo Legorreta, founder and Chief Executive Officer of Royalty Pharma. "This is our second transaction with PTC, which builds on our longstanding partnership, and highlights our ability to structure creative, win-win funding solutions for our partners. Further, our unmatched scale and deep knowledge of SMA positioned us to provide PTC with substantial capital in a timely fashion, another unique aspect of our business model. This transaction is expected to further enhance Royalty Pharma's long-term growth and diversification. We remain incredibly excited for our future given our robust transaction pipeline."

"This transaction reflects the significant value of Evrysdi, a medicine we are proud to have helped discover and develop in collaboration with the Spinal Muscular Atrophy Foundation and Roche," said Matthew Klein, M.D., Chief Executive Officer of PTC Therapeutics. "We are also pleased to strengthen our partnership with Royalty Pharma, a leading funder of innovation across the biopharma industry. With this funding, we have strengthened our balance sheet and added financial flexibility as we pursue our strategic objectives, including continued development and commercialization of innovative therapies for patients with rare disorders."

Transaction Terms

The total royalty that Roche pays on worldwide net product sales of Evrysdi is tiered ranging from 8% to 16%. Following the transaction announced today, in total, Royalty Pharma is increasing its ownership of the Evrysdi royalty from 43% to 81%, equating to a royalty of 6.5% to 13% (not including any exercise of future options by PTC or Royalty Pharma).

Additionally, until December 31, 2025, PTC will have the option to sell the remainder of the Evrysdi royalty retained by PTC to Royalty Pharma for \$500 million less royalties received in five equal tranches.

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If PTC exercises fewer than three of these options, Royalty Pharma has the option to purchase 50% of the remaining PTC royalty for \$250 million less royalties received until March 31, 2026.

Evrysdi Financial Contribution

The purchase of additional royalties on Evrysdi is expected to enhance Royalty Pharma's long-term growth and increase the diversification of its royalty portfolio. Evrysdi is projected to be a top four portfolio royalty by 2025 with Adjusted Cash Receipts contribution of greater than \$200 million using consensus sales estimates.

Royalty Pharma expects to fund this transaction with a combination of existing cash on the balance sheet and approximately \$350 million from its revolving credit facility. Royalty Pharma continues to maintain significant financial capacity for future royalty acquisitions.

Since 2020, Royalty Pharma has announced transactions of up to \$12.8 billion, including up to \$3.8 billion in 2023.

Royalty Transaction Details

Date	July 2020	October 2023	Total (October 2023)	PTC option (December 31, 2025)	RP option (March 31, 2026)
Funding amount	\$650m upfront	\$1.0bn upfront	\$1.65bn upfront (up to \$500m option)	Up to \$500m	Up to \$250m
Royalty purchased	43% of royalties	38% of royalties before cap and 67% of royalties above cap	81% of royalties before cap and 67% of royalties above cap	Remaining 19% of royalties before cap and 33% of royalties above cap	9.5% of royalties before cap and 16.7% of royalties above cap
Effective royalty rate prior to 2020 deal cap (on worldwide net sales)	<ul style="list-style-type: none"> • 3.4% up to \$500m • 4.7% on \$500m-\$1.0bn • 6.0% on \$1.0-\$2.0bn • 6.9% >\$2.0bn 	<ul style="list-style-type: none"> • 3.0% up to \$500m • 4.2% on \$500m-\$1.0bn • 5.3% on \$1.0-\$2.0bn • 6.1% >\$2.0bn 	(Total ex-option) <ul style="list-style-type: none"> • 6.5% up to \$500m • 8.9% on \$500m-\$1.0bn • 11.3% on \$1.0-\$2.0bn • 13.0% >\$2.0bn 	(Total and full PTC option) <ul style="list-style-type: none"> • 8% up to \$500m • 11% on \$500m-\$1.0bn • 14% on \$1.0-\$2.0bn • 16% >\$2.0bn 	(Total and full RP option) <ul style="list-style-type: none"> • 7.2% up to \$500m • 10.0% on \$500m-\$1.0bn • 12.7% on \$1.0-\$2.0bn • 14.5% >\$2.0bn
Additional details	Royalties cease when aggregate royalties paid equal \$1.3bn	PTC may sell remaining royalty to RP for \$500m less royalties received; RP can purchase 50% for \$250m less royalties received under certain circumstances	After \$1.3bn cap, RP entitled to 67% of royalties	PTC option exercisable until December 31, 2025	RP option under certain circumstance until March 31, 2026 After \$1.3bn cap, RP entitled to 83% of royalties
Estimated duration	2030-2035	2035-2036	2035-2036	2035-2036	2035-2036

Conference Call Information

Royalty Pharma will host a conference call and simultaneous webcast to discuss the transaction today, Thursday, October 19 at 9:00 a.m. Eastern Time. Please visit the "Investors" page of the company's website at <https://www.royaltypharma.com/investors/news-and-events/events> to obtain conference call information and to view the live webcast. A replay of the conference call and webcast will be archived on the company's website for at least 30 days.

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Advisors

Goodwin Procter, Fenwick & West and Maiwald acted as legal advisors to Royalty Pharma. Wilmer Cutler Pickering Hale and Dorr LLP acted as legal advisors to PTC Therapeutics on the transaction.

About Royalty Pharma plc

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 non-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 35 commercial products, including Vertex's Trikafta, Kalydeco, Orkambi and Symdeko, Biogen's Tysabri, AbbVie and Johnson & Johnson's Imbruvica, Astellas and Pfizer's Xtandi, GSK's Trelegy, Novartis' Promacta, Pfizer's Nurtec ODT, Johnson & Johnson's Tremfya, Roche's Evrysdi, Gilead's Trodelvy, and 11 development-stage product candidates.

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 Royalty Pharma's 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 Royalty Pharma's 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

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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 Royalty Pharma's 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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