

ROYALTY PHARMA

Full Year and Q4 2025 Financial Results

February 11, 2026

Forward Looking Statements

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Non-GAAP Financial Information

This presentation 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 28 in the Appendix. Any non-U.S. GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by GAAP, have no standardized meaning prescribed by GAAP and may not be comparable to the calculation of similar measures of other companies.

Agenda

Key Highlights

**Pablo Legorreta**

Chief Executive Officer, Chairman of the Board

Transaction Pipeline

**Chris Hite**

EVP, Vice Chairman

Portfolio Update

**Marshall Urist**

EVP, Head of Research & Investments

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**Terrance Coyne**

EVP, Chief Financial Officer

Conclusion

**Pablo Legorreta**

Chief Executive Officer, Chairman of the Board

Q&A Session

Pablo Legorreta
Terrance Coyne
Chris Hite
Marshall UristChief Executive Officer, Chairman of the Board
EVP, Chief Financial Officer
EVP, Vice Chairman
EVP, Head of Research & Investments

Key Highlights

Pablo Legorreta

Chief Executive Officer, Chairman of the Board

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Key achievements position business for sustained momentum



Financial



- Double-digit growth in 2025 Royalty Receipts (+13%) and Portfolio Receipts (+16%)⁽¹⁾
- Return on Invested Capital of 15.8% and Return on Invested Equity of 22.8% in 2025
- 2026 Portfolio Receipts guidance of \$3,275m to \$3,425m ^(1,2) (3% to 8% Royalty Receipts growth)



Internalization



- Simplified structure by integrating intellectual capital with royalty portfolio
- Strengthens alignment and governance; realizing significant cost savings



Capital Allocation



- \$4.7bn of announced transactions on 9 therapies in 2025 (\$2.6bn of Capital Deployment)
- Repurchased 37m shares for \$1.2bn in 2025 and increased dividend by 7% in Q1 2026



Portfolio



- Positive clinical, regulatory updates (Myqorzo, Tremfya, TEV-‘749, deucrictibant, Trodelvy)
- Groundbreaking partnership with Revolution Medicines for daraxonrasib

See slide 28 for definition and additional information.

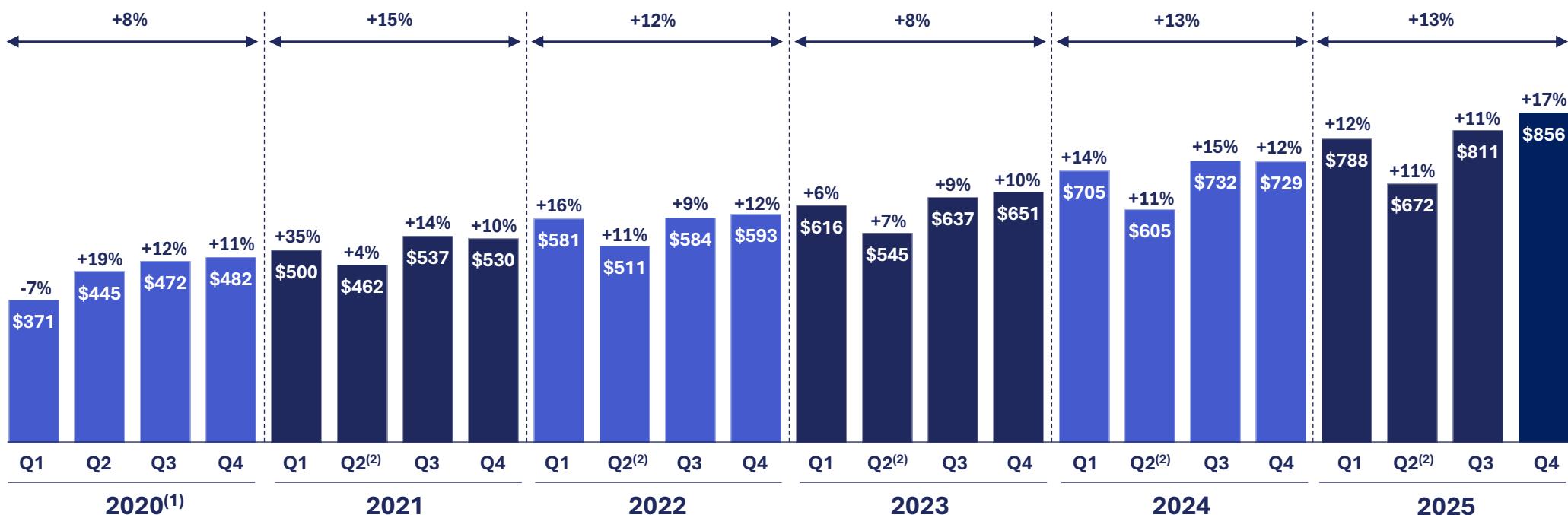
1. Royalty Receipts represent recurring cash inflows. Portfolio Receipts include Royalty Receipts and Milestones and other contractual receipts which are more variable.

2. Excludes contribution from transactions announced subsequent to the date of this presentation.

Delivering double-digit growth on average since IPO

Royalty Receipts

(year/year growth; \$ in millions)



Portfolio Receipts	\$382	\$462	\$472	\$484	\$524	\$475	\$587	\$543	\$605	\$524	\$597	\$606 ⁽³⁾	\$656 ⁽³⁾	\$545	\$637	\$686 ⁽³⁾	\$717	\$608	\$735	\$742	\$839	\$727	\$814	\$874
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1. Growth rates are presented on a pro forma basis. See slide 28 for definition and additional information.

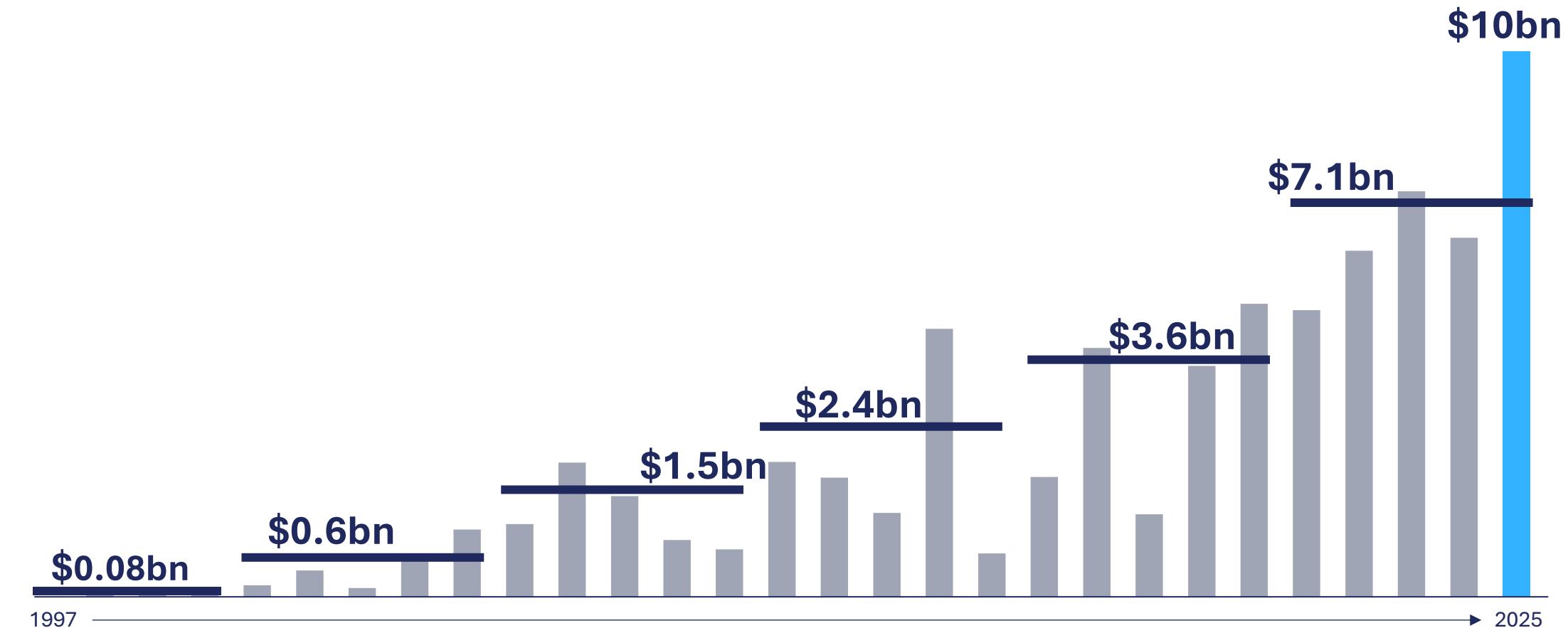
2. Royalty Receipts in the second quarter are typically lower than the first quarter as royalties for certain products or franchises are tiered and typically reset at the beginning of the year. Thus, second quarter Royalty Receipts (reflecting first quarter sales) often include royalties on sales at the lowest royalty tier.

3. The 2022 and 2023 results are calculated on a pro forma basis to exclude Accelerated Receipts (as defined in the Credit Agreement) as if Amendment No. 5 of the Credit Agreement had taken effect on January 1, 2019.

Record year for royalty funding in 2025

Driven by growing capital needs, industry fragmentation, scientific innovation and increased awareness of royalties

5-year average annual announced value (1997-2025)⁽¹⁾

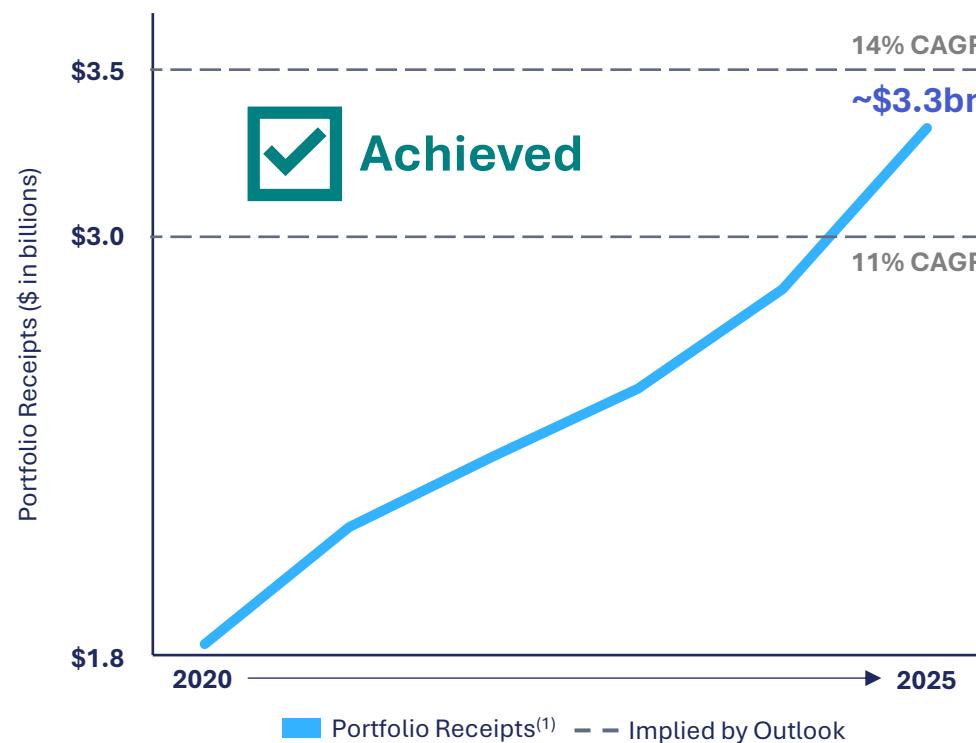


1. Royalty Pharma internal data, commencing in 1997.

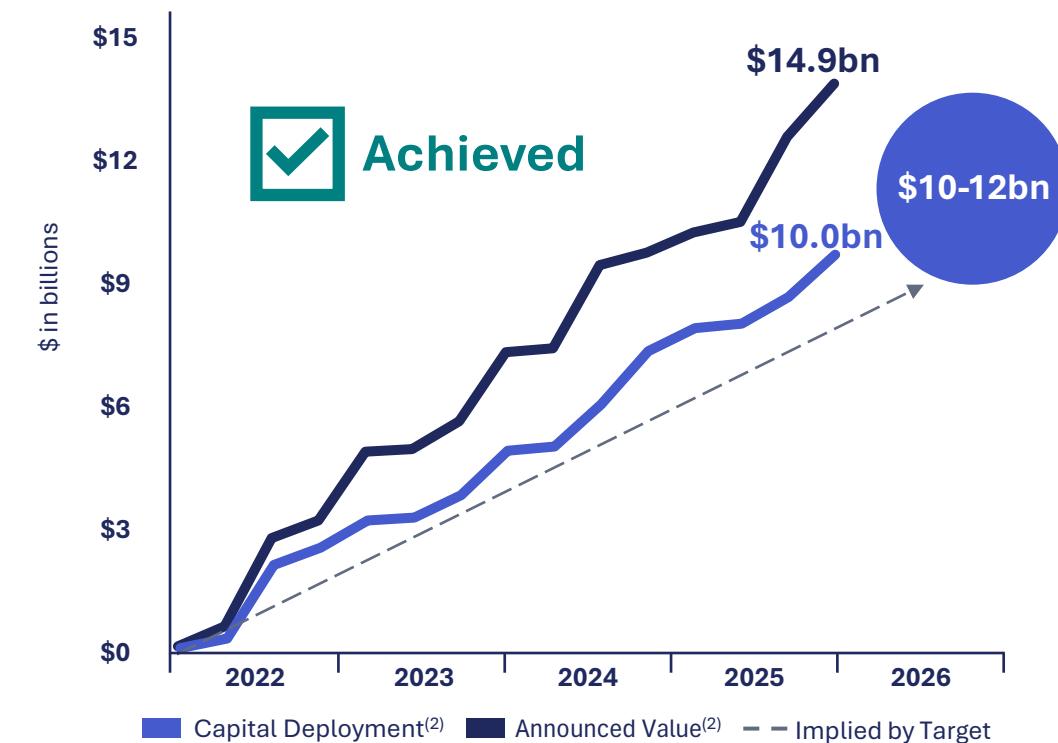
Successfully executing against our financial targets

Portfolio Receipts guidance and Capital Deployment target provided at Investor Day in May 2022

Portfolio Receipts guidance: 11% to 14% CAGR (\$3.0-\$3.5bn) (2020-2025)



Capital Deployment target: \$10-12 billion over 5-years (2022-2026)



CAGR: compound annual growth rate

See slide 28 for definitions and factors that may impact the achievement of our growth outlook.

1. Excludes Biohaven-related accelerated milestone payments of \$458 million in 2022 and \$525 million in 2023 and \$511 million of proceeds from sale of MorphoSys Development Funding Bonds in 2025.

2. Capital Deployment reflects cash payments during the period for new and previously announced transactions. Announced value of transactions represents the entire amount of potential capital committed for new transactions during the year, including potential future milestones.

Transaction pipeline

Chris Hite

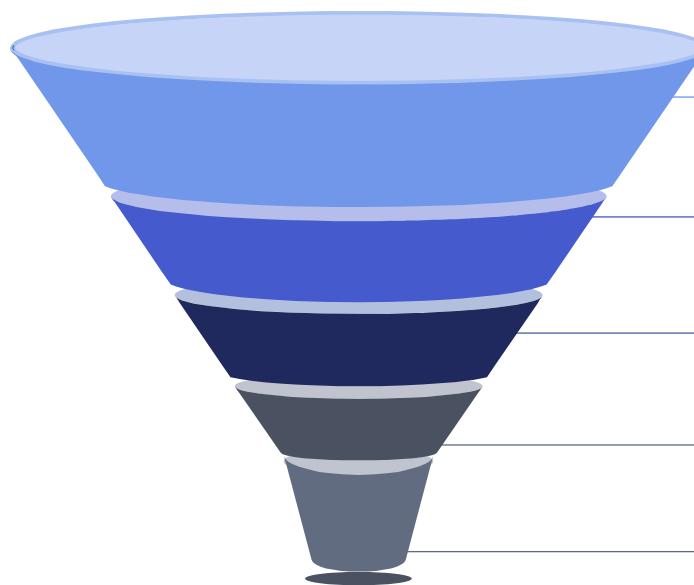
Executive Vice President
Vice Chairman

ROYALTY PHARMA



Announced \$4.7 billion of royalty transactions in 2025

2025 Royalty Pharma investment activity

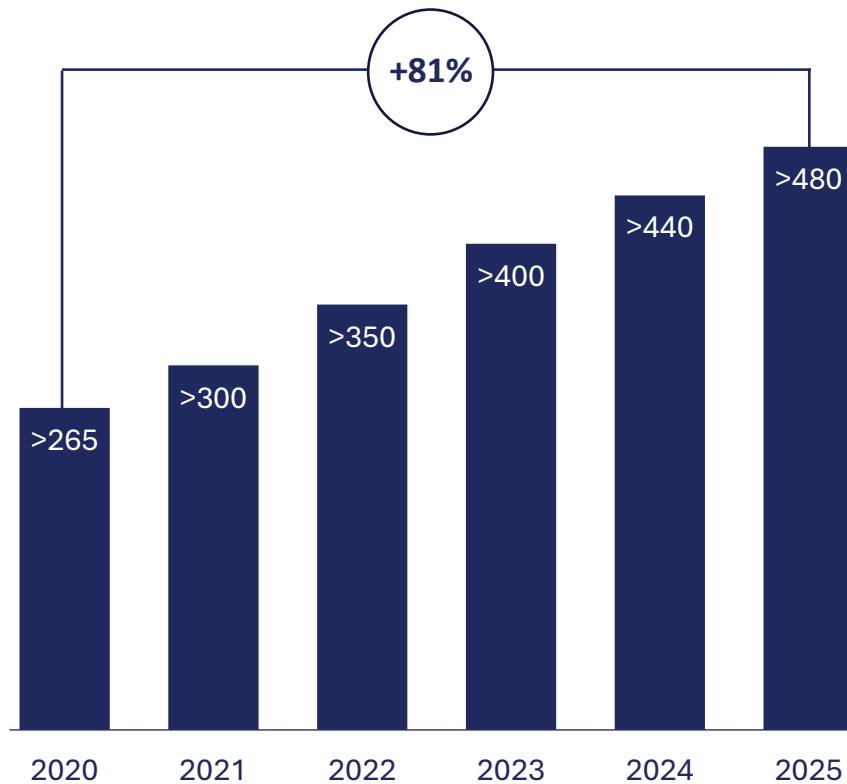


- >480 initial reviews
- 155 CDAs signed
- 109 in-depth reviews
- 35 proposals submitted
- Executed 8 transactions for \$4.7bn

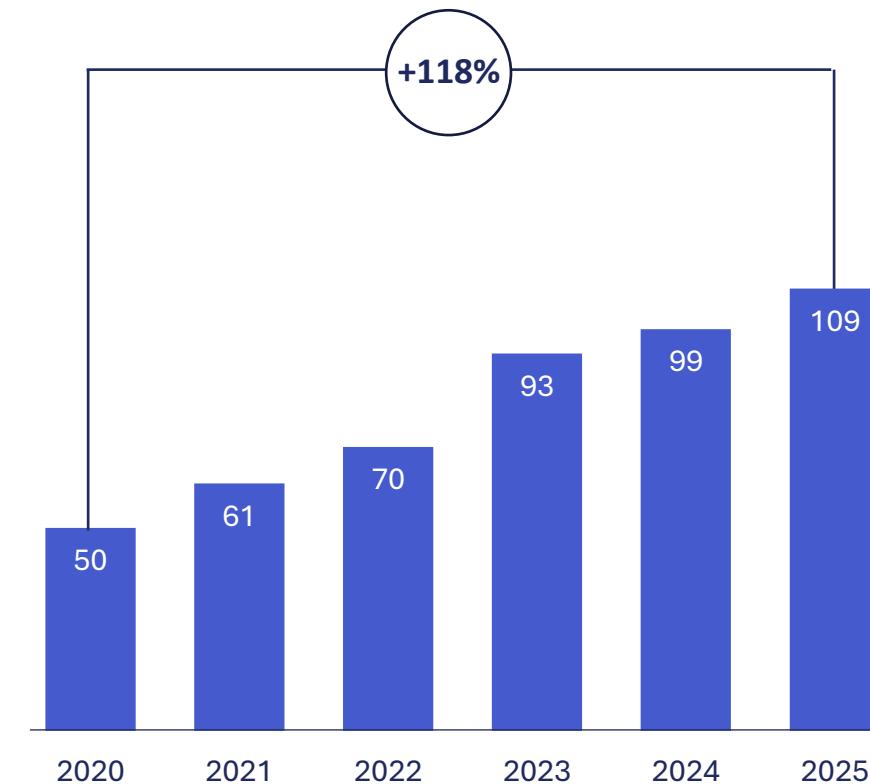
IMDELLTRA	amvuttra
Evrysdi	litifilimab
daraxonrasib	obexelimab
neladalkib	zidesamtinib
tividenofusp alfa	

Investment activity reflects strong momentum for royalty funding

Initial reviews consistently growing

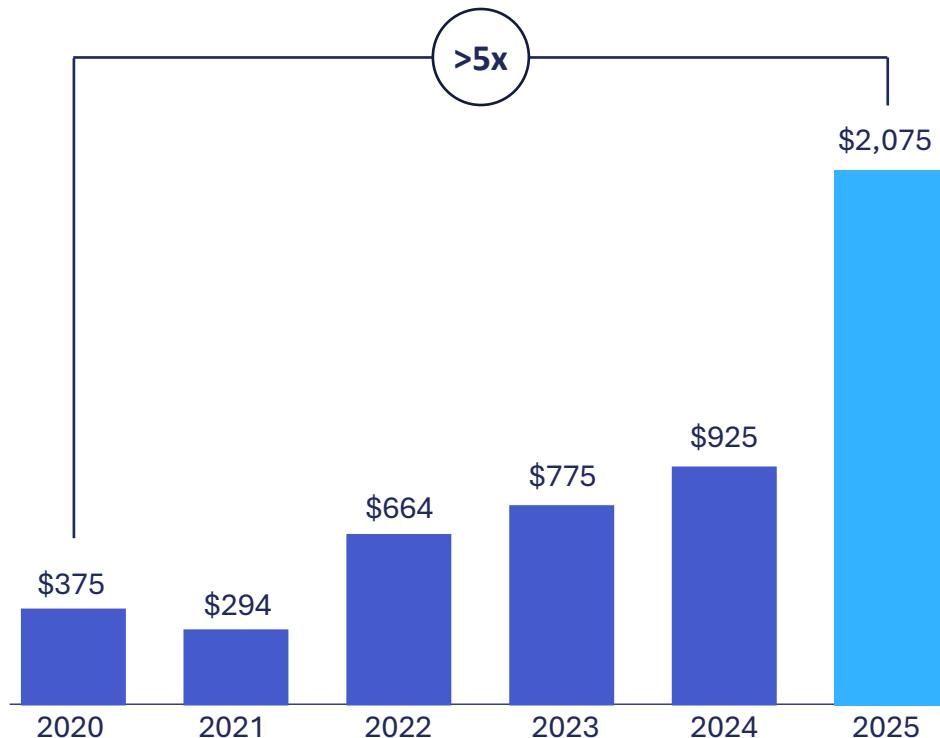


In-depth reviews more than doubled

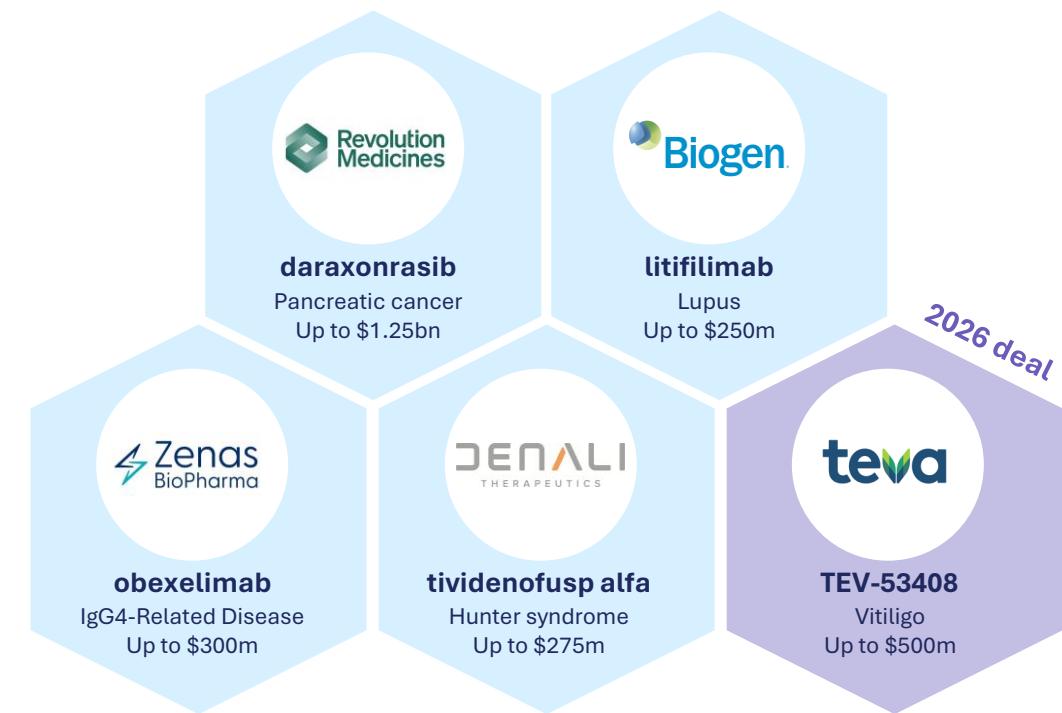


Strongest year ever for Royalty Pharma synthetic royalty transactions

Announced value of RP synthetic royalty transactions⁽¹⁾ (\$ in millions)



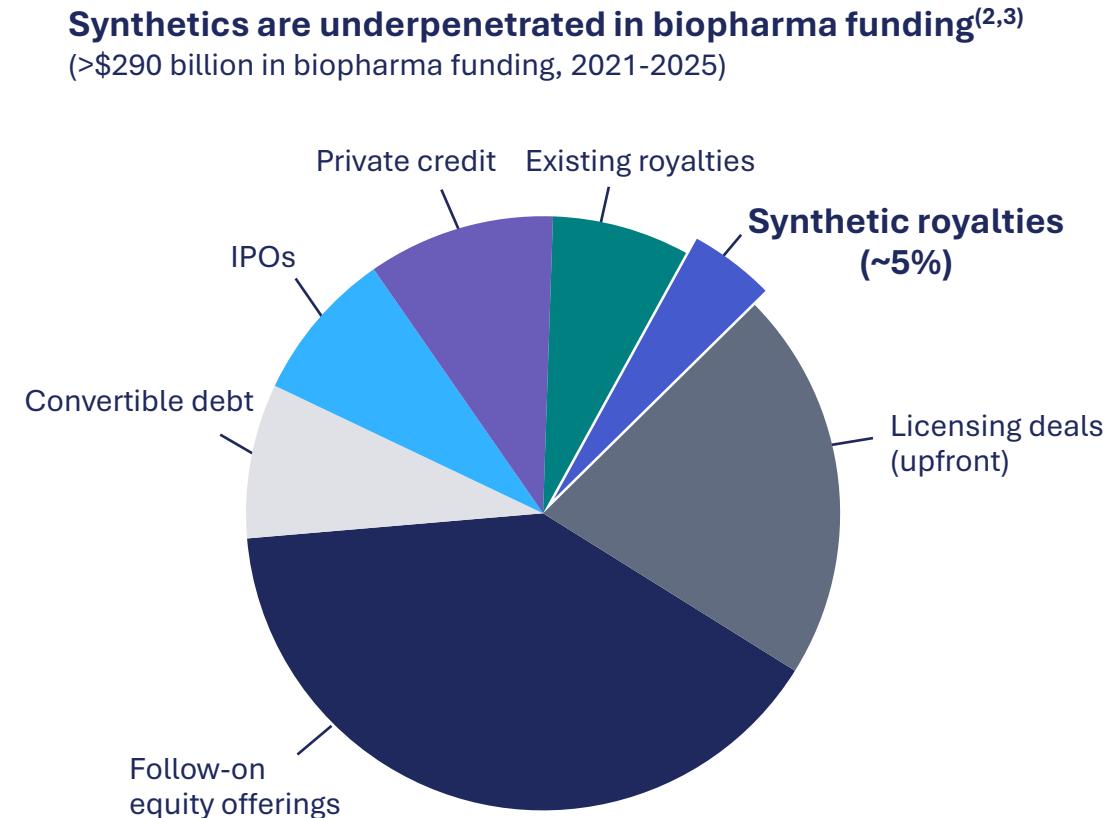
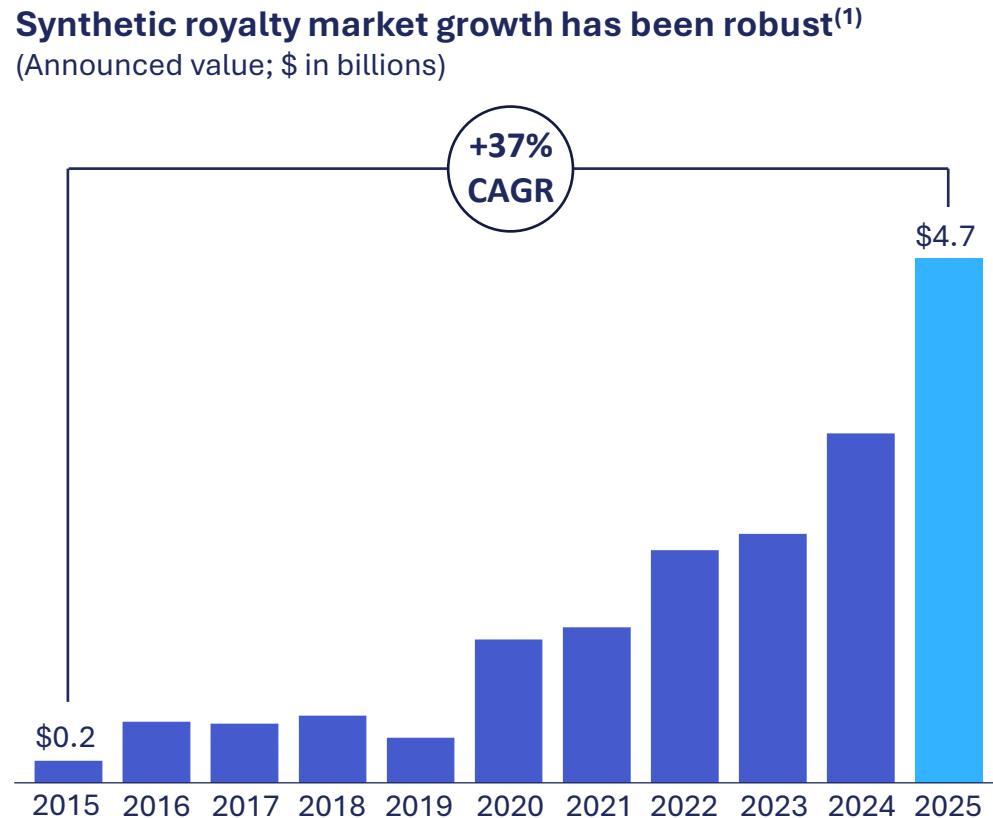
RP announced four synthetic transactions in 2025



Source: Dealogic, Biomedtracker, internal estimates, Evaluate.

1. Royalty Pharma internal analysis. Data reflects announced value of transactions, including milestones and contingent payments.

Synthetic royalties are expected to be an important growth driver



CAGR: compound annual growth rate

Source: Dealogic, Biomedtracker, internal estimates, Evaluate.

1. Royalty Pharma internal analysis. Data reflects announced value of transactions, including milestones and contingent payments.

2. Includes capital raised through initial public offerings (IPOs), follow-on offerings, equity linked issuances, up-fronts from licensing deals, existing and synthetic royalties and private credit.

3. Royalty funding reflects announced value of transactions and includes associated equity investments.

Portfolio Update

Marshall Urist, MD, PhD

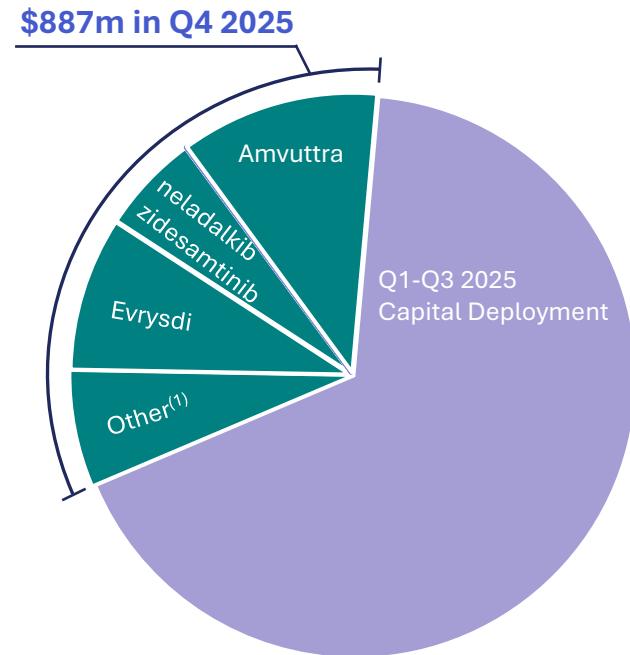
Executive Vice President
Head of Research & Investments

ROYALTY PHARMA



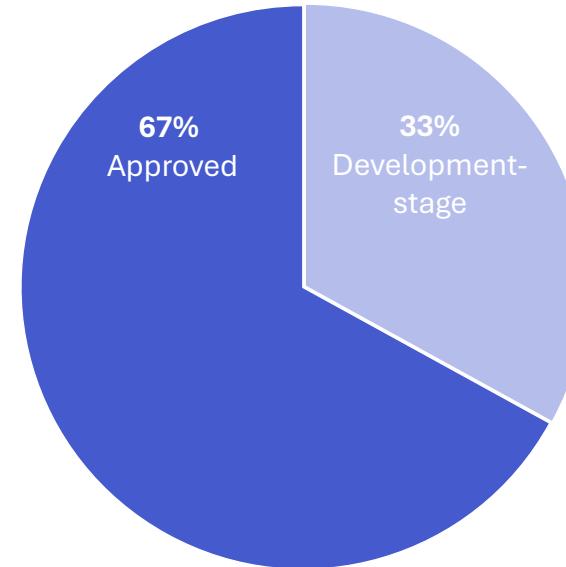
Strong execution in 2025 against Capital Deployment strategy

\$2.6 billion of Capital Deployment in 2025



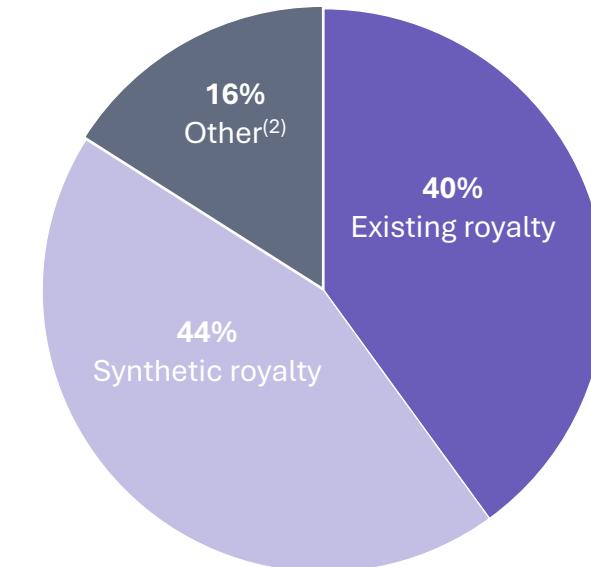
Capital Deployment mix in 2025

(Approved vs. development-stage)



\$4.7 billion of announced value in 2025

(Type of royalty investment)



Capital Deployment reflects cash payments during the period for new and previously announced transactions.

1. Consists of capital deployed for Imdeltra and pre-2025 transactions.

2. Consists of Revolution Medicines secured debt.

Deploying capital on attractive therapies over the last 3 months

	2026 deal	Development-stage	Approved	
Transaction size	Up to \$500m ⁽¹⁾	Up to \$315m ⁽²⁾	Up to \$275m ⁽³⁾	Up to \$300m ⁽⁴⁾
Transaction type	Synthetic	Existing	Synthetic	Existing
Seller	Teva	Undisclosed	Denali Therapeutics	PTC Therapeutics
Therapy	TEV-‘408	neladalkib	zidesamtinib	tividenofusp alfa
Indication	Vitiligo	ALK+ NSCLC	ROS1+ NSCLC	Hunter syndrome
Status	Phase 1b (ongoing)	FDA filing (H1 2026)	PDUFA date (Sept. 18, 2026)	PDUFA date (April 5, 2026)
				Approved

ALK+: anaplastic lymphoma kinase-positive; ROS1+: ROS proto-oncogene 1 positive; NSCLC: non-small cell lung cancer; SMA: spinal muscular atrophy; PDUFA: Prescription Drug User Fee Act; FDA: U.S. Food and Drug Administration

1. Consists of \$75 million in R&D co-funding to conduct a Phase 2b study targeted to start in 2026. Based on the future results from Phase 2b in vitiligo, Royalty Pharma will have an option to provide an additional \$425 million to co-fund the Phase 3 program.

2. Consists of \$155 million upfront and \$160 million in potential milestones.

3. Consists of a \$200 million payment contingent on FDA accelerated approval of tividenofusp alfa and \$75 million upon EMA approval if achieved by December 31, 2029.

4. Consists of \$240 million upfront and up to \$60 million in sales-based milestones.

Positive developments across royalty portfolio in 2025

Key clinical events in 2025

Therapy	Indication	Event	
TEV-‘749	schizophrenia	Phase 3 safety ⁽¹⁾	✓
Trodelvy	1L mTNBC	Phase 3 results ⁽²⁾	✓
ecopipam	Tourette's syndrome	Phase 3 results ⁽³⁾	✓
trontinemab	Alzheimer's disease	Phase 3 initiation ⁽⁴⁾	✓
deucrictibant IR	HAE attacks	Phase 3 results ⁽⁵⁾	✓
Cobenfy	Adjunct schizophrenia	Phase 3 results ⁽⁶⁾	✗

Key regulatory events in 2025

Therapy	Indication	Event	
Tremfya	Crohn's disease	FDA approval ⁽⁷⁾	✓
Tremfya	Crohn's disease	EC approval ⁽⁷⁾	✓
Tremfya	ulcerative colitis	EC approval ⁽⁷⁾	✓
TEV-‘749	schizophrenia	FDA filing ⁽⁸⁾	✓
Trodelvy	1L mTNBC	FDA filing ^(2,9)	✓
Myqorzo	oHCM	FDA approval ⁽¹⁰⁾	✓
ecopipam	Tourette's syndrome	FDA filing ⁽³⁾	

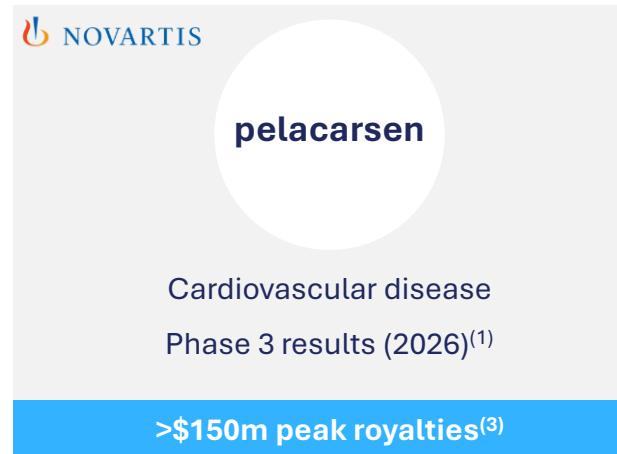
1L: first-line; mTNBC: metastatic triple negative breast cancer; oHCM: obstructive hypertrophic cardiomyopathy; IR: immediate release; HAE: hereditary angioedema; FDA: U.S. Food and Drug Administration; EC: European Commission

1. Teva Q4 earnings release, January 29, 2025. 2. Refers to Phase 3 ASCENT-04/KEYNOTE-D19 study (Gilead press release, April 21, 2025) and Phase 3 ASCENT-03 study (Gilead press release, May 23, 2025). 3. Emalex press release, October 8, 2025. 4. Roche Q3 earnings presentation, October 23, 2025. 5. Pharvaris press release, December 3, 2025. 6. Bristol Myers Squibb press release, April 22, 2025. 7. Johnson & Johnson Q3 earnings presentation, October 14, 2025. 8. Teva press release, December 9, 2025. 9. Gilead Q3 presentation, October 30, 2025. 10. Cytokinetics press release, December 19, 2025.

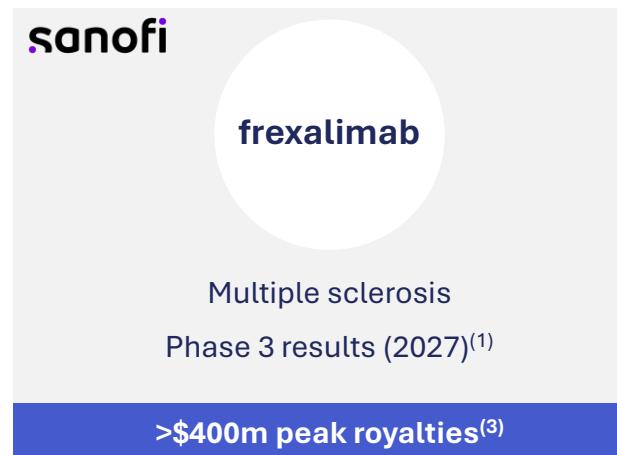
Multiple pivotal readouts over next 24 months

Important Phase 3 results to potentially unlock value for development-stage pipeline

2026 events



2027 events



2L: second-line; PDAC: pancreatic ductal adenocarcinoma; NSCLC: non-small cell lung cancer; SLE: systemic lupus erythematosus; CLE: cutaneous lupus erythematosus;

1. Phase 3 results timing for daraxonrasib (2L PDAC), pelacarsen, litifilimab (SLE, CLE) and frexalimab are based on marketer guidance. 2. Phase 3 results timing for olpasiran, daraxonrasib (2L NSCLC) and seltorexant are based on clinicaltrials.gov. 3. Peak royalties are calculated using peak sales based on the marketer guidance (the midpoint is used when ranges are provided) for frexalimab, pelacarsen, and seltorexant. Peak royalties for olpasiran, litifilimab, and daraxonrasib are based on peak sales from analyst research estimates. For daraxonrasib, peak royalties are calculated assuming royalty rates under required Revolution Medicines draw (Tranche 1 and Tranche 2) and maximum draw scenarios (Tranches 1 through 5). Tranche 1 was funded in June 2025 and the Tranche 2 draw is required by Revolution Medicines on positive Phase 3 data (RASolute 302). Revolution Medicines has the option to cancel Tranche 2 if it enters into an agreement to be acquired before a positive readout of the Phase 3 PDAC clinical trial. The midpoint of that range is used for the purpose of this presentation.

Financial Results

Terrance Coyne

Executive Vice President
Chief Financial Officer

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Efficient model generates substantial cash flow to reinvest

in millions	Q4 2025	% Portfolio Receipts	FY 2025	% Portfolio Receipts
Royalty Receipts^(1,2)	\$856	+17% YoY	\$3,127	+13% YoY
Milestones & other contractual receipts ⁽¹⁾	\$18	+42% YoY	\$128	nm
Portfolio Receipts⁽²⁾	\$874	+18% YoY	\$3,254	+16% YoY
Payments for operating and professional costs ⁽³⁾	(\$58)	6.7%	(\$288)	8.9%
Adjusted EBITDA (non-GAAP)	\$816	93.3%	\$2,966	91.1%
Interest paid, net	(\$0)		(\$242)	
Portfolio Cash Flow (non-GAAP)	\$815	93.3%	\$2,724	83.7%
Capital Deployment	(\$887)		(\$2,596)	
Share count ⁽⁴⁾	556		564	

YoY: year over year; nm: not meaningful

Amounts may not add due to rounding.

1. Reported net of legacy non-controlling interests to facilitate increased transparency of individual royalty economics and milestones.

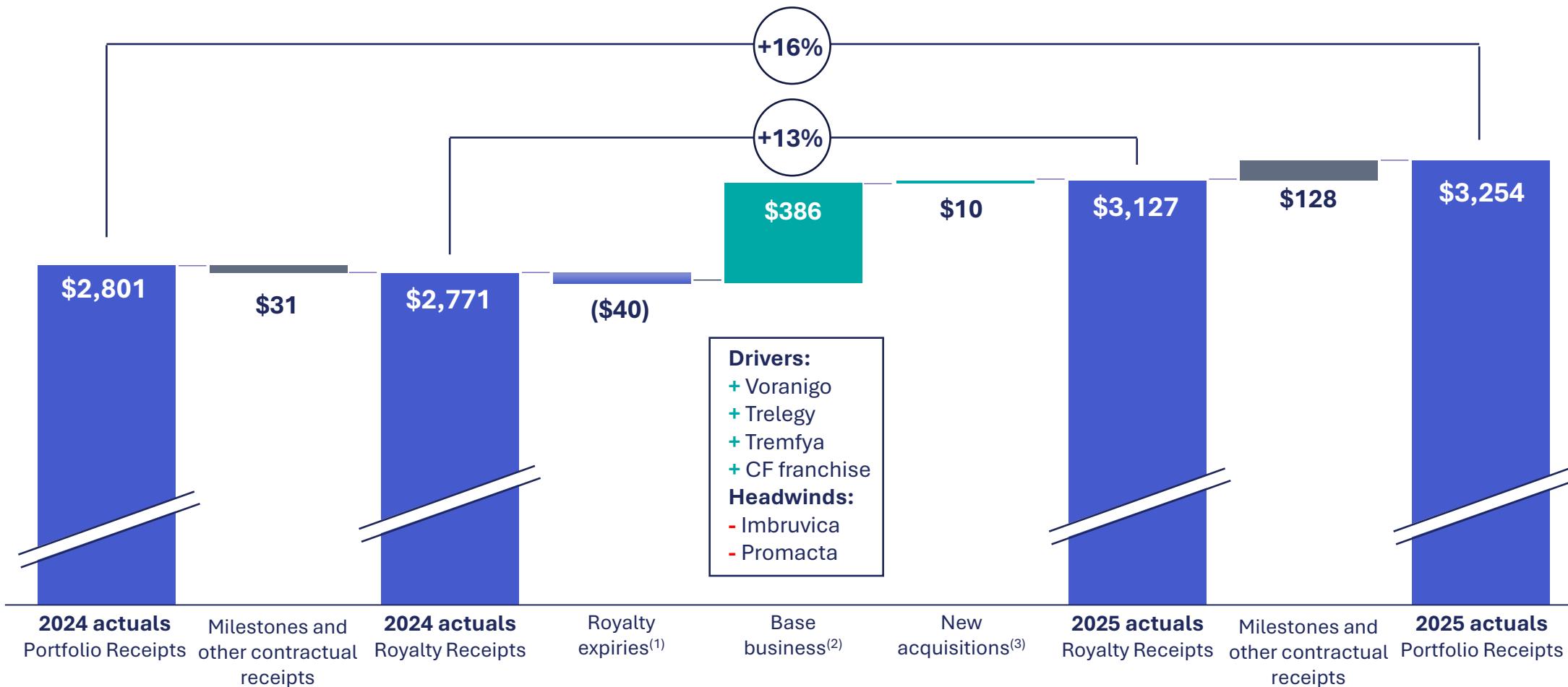
2. Royalty Receipts and Portfolio Receipts in 2025 do not include the \$511 million of proceeds from the Q1 2025 sale of the MorphoSys Development Funding Bonds.

3. Payments for operating and professional costs in 2025 include one-time payments amounting to approximately \$70 million (>2% of 2025 Portfolio Receipts), comprised of transaction costs for the Internalization and other one-time items.

4. Reflects weighted-average diluted Class A ordinary shares outstanding.

Portfolio Receipts growth reflects strength of portfolio

2025 Portfolio Receipts growth (\$ in millions)



Amounts may not add due to rounding.

1. Primarily includes Entyvio and DPP-IVs.

2. Base business is defined as royalties in Royalty Pharma's portfolio as of December 31, 2024.

3. Includes Imdelltra.

Portfolio continues to generate attractive returns

Remarkably stable returns since IPO with conservative leverage enhancing returns to shareholders

	2019-2025 (Average)	FY 2025	Comments
Return on Invested Capital⁽¹⁾	14.9%	15.8%	<ul style="list-style-type: none"> Reflects cash generated by the business relative to active capital invested Aggregate business measures that complement individual deal returns ROIC and ROIE in 2025 benefited from the sale of the MorphoSys Development Funding Bonds
Return on Invested Equity⁽²⁾	21.5%	22.8%	<ul style="list-style-type: none"> Remarkably stable returns: estimated standard deviation of +/- 1.2% (ROIC) and +/- 1.8% (ROIE)

1. Return on Invested Capital ("ROIC") is calculated as Adjusted EBITDA plus accelerated receipts, less nominal equity performance awards (EPAs) earned ("ROIC Adjusted EBITDA") divided by the average of Invested Capital at Work at the beginning and end of the year. Invested Capital at Work is calculated as total cumulative Capital Deployment less cumulative Capital Deployment on expired products. Invested Capital at Work represents capital deployed for all active investments. Refer to slide 41 for the detailed buildup of Invested Capital at Work. 2. Return on Invested Equity ("ROIE") is calculated as Portfolio Cash Flow plus accelerated receipts, less nominal equity performance awards earned ("ROIE Portfolio Cash Flow") divided by the average of Invested Equity at Work at year-end and prior year-end. Invested Equity at Work is calculated as Invested Capital at Work less net debt. Refer to slide 41 for the detailed buildup of Invested Equity at Work. Refer to the Appendix for GAAP to non-GAAP reconciliations.

Maintaining financial flexibility while returning capital

Significant financial capacity to execute strategy

Cash & cash equivalents

\$619m as of December 31, 2025

Investment grade debt

\$9.2bn outstanding with weighted average duration of ~13 years; total leverage of 3.0x⁽¹⁾ and net leverage of 2.8x⁽²⁾

Financial capacity

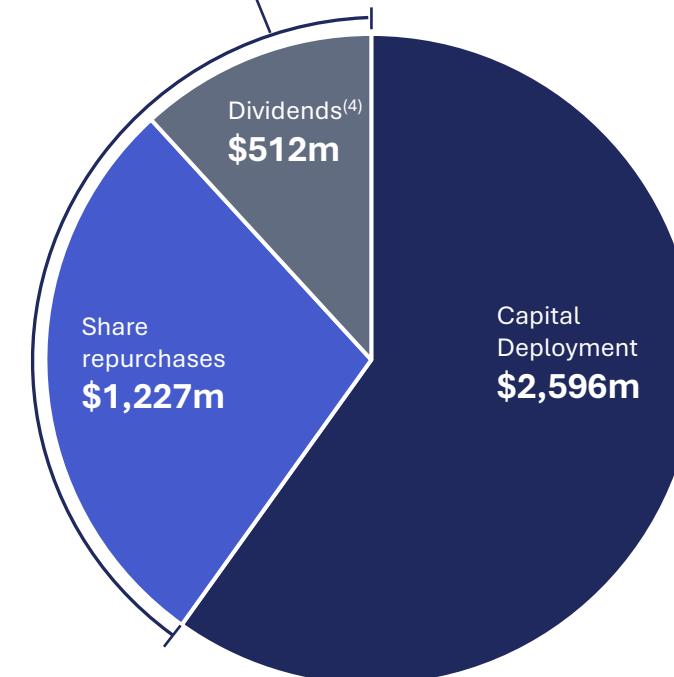
>\$3.5bn with cash on hand and additional leverage⁽³⁾; \$1.8bn revolving credit facility

Return of capital

Repurchased \$1.2 billion (~37m shares) in 2025 with \$75m (~2m shares) in Q4 2025; increased dividend by 7% in Q1 2026

Balanced capital allocation (2025)

Return of capital: ~\$1.7bn



1. Total leverage is calculated as Total debt divided by Adjusted EBITDA.

2. Net leverage is calculated as Total debt less cash and cash equivalents divided by Adjusted EBITDA.

3. Calculated based on total leverage ratio of ~4.0x. Total leverage is calculated as Total debt divided by Adjusted EBITDA (as defined in credit agreement filed with the SEC).

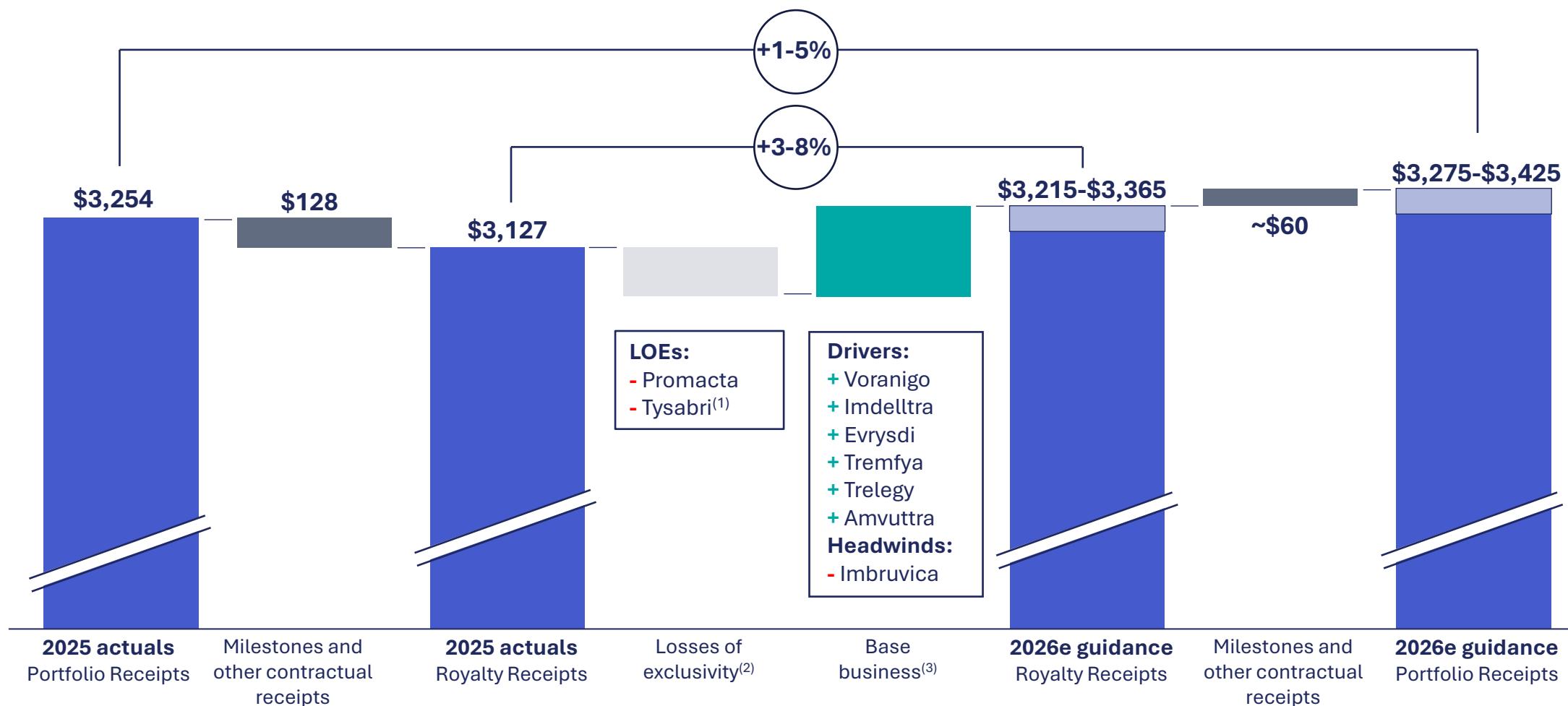
4. Reflects dividends and distributions.

Full year 2026 guidance^(1,2)

	February 11, 2026	Comments
Portfolio Receipts excluding transactions announced subsequent to February 11, 2026 ^(1,2)	\$3,275m - \$3,425m (Royalty Receipts expected growth of 3%-8% yr/yr)	<ul style="list-style-type: none"> Strong portfolio performance Milestones and other contractual receipts expected to decrease from \$128m in 2025 to ~\$60m in 2026 Reflects loss of exclusivity for Promacta, launch of biosimilar Tysabri in the United States and range of scenarios for IRA impact
Operating & professional costs	~5.5% - 6.5% of Portfolio Receipts	<ul style="list-style-type: none"> Reflects cost savings from the internalization
Interest paid	\$350m - \$360m	<ul style="list-style-type: none"> Assumes no issuance of additional debt Interest paid of ~\$175m in Q1 and Q3, with <i>de minimis</i> interest paid expected in Q2 and Q4 Excludes interest received (\$34m in 2025)

1. See slide 28 for definitions and for additional information regarding Royalty Pharma's 2026 full-year financial guidance. 2. This guidance is as of February 11, 2026 and assumes no major unforeseen adverse events and excludes any potential contribution from transactions announced subsequent to that date. Furthermore, Royalty Pharma may amend its guidance in the event it engages in new royalty transactions which have a material near-term financial impact on the Company. See the information on slide 2, "Forward Looking Statements & Non-GAAP Measures," for factors that may impact the achievement of this guidance.

Strong expected growth in 2026 despite losses of exclusivity



Amounts shown in millions. Amounts may not add due to rounding.

1. The Tysabri royalty is perpetual. Loss of exclusivity reflects the Sandoz U.S. launch of Tyruko, the first and only FDA-approved biosimilar to Biogen's Tysabri, in November 2025 and follows the launch of a biosimilar in Europe in 2023.

2. Includes primarily Promacta, Tysabri and Farxiga/Onglyza.

3. Base business is defined as royalties in Royalty Pharma's portfolio as of December 31, 2025.

Conclusion

Pablo Legorreta

Chief Executive Officer, Chairman of the Board

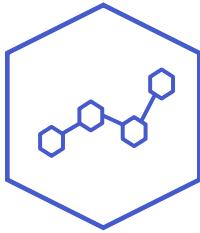
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Powerful business positioned to drive strong value creation

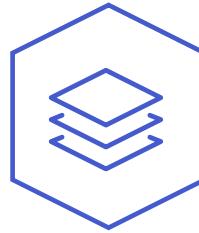
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Leader in biopharma royalty funding



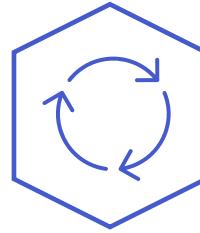
Expanding market

Strong secular trend of growing needs for alternative forms of financing to fund biopharma innovation



Unique platform

Best-in-class platform for investing in innovative products marketed by premier biopharma companies



Attractive returns

Consistent unlevered mid-teens IRR and ROIC, >20% return on invested equity



Robust growth

Strong, low volatility top- and bottom-line growth expected through 2030

Footnotes

- 1) To aid in comparability, growth in 2020 is calculated based on pro forma 2019 results, 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 non-controlling interest attributable to legacy investors that resulted from the Reorganization Transactions.
- 2) Portfolio Receipts is a key performance metric that represents Royalty Pharma's ability to generate cash from its portfolio investments, the primary source of capital available to deploy to make new portfolio investments. Portfolio Receipts is defined as the sum of Royalty Receipts and milestones and other contractual receipts. Royalty Receipts include variable payments based on sales of products, net of contractual payments to the legacy non-controlling interests, that are attributed to Royalty Pharma ("Royalty Receipts"). Milestones and other contractual receipts include sales-based or regulatory milestone payments and other fixed contractual receipts, net of contractual payments to the legacy non-controlling interests, that are attributed to Royalty Pharma. Portfolio Receipts does not include royalty receipts and milestones and other contractual receipts that were received on an accelerated basis under the terms of the agreement governing the receipt or payment. Portfolio Receipts also does not include proceeds from equity securities or marketable securities, both of which are not central to Royalty Pharma's fundamental business strategy, and excludes the \$511 million in 2025 proceeds from the sale of the MorphoSys Development Funding Bonds.
Portfolio Receipts is calculated as the sum of the following line items from Royalty Pharma's GAAP condensed consolidated statements of cash flows: *Cash collections from financial royalty assets, Cash collections from intangible royalty assets, Other royalty cash collections, Proceeds from available for sale debt securities and Distributions from equity method investees less Distributions to legacy non-controlling interests - Portfolio Receipts*, which represent contractual distributions of Royalty Receipts and milestones and other contractual receipts to the Legacy Investors Partnerships.
- 3) Adjusted EBITDA is defined under the revolving credit agreement as Portfolio Receipts minus payments for operating and professional costs. Operating and professional costs reflect *Payments for operating and professional costs* from the statements of cash flows. Refer to the Appendix for a GAAP to non-GAAP reconciliation. See the Company's Annual Report on Form 10-K filed with SEC on February 12, 2025 for additional discussion on defined term.
- 4) Portfolio Cash Flow is defined under the revolving credit agreement as Adjusted EBITDA minus interest paid or received, net. Refer to the Appendix for a GAAP to non-GAAP reconciliation. See the Company's Annual Report on Form 10-K filed with SEC on February 12, 2025 for additional discussion on defined term.
- 5) Capital Deployment represents the total outflows that will drive future Portfolio Receipts and reflects cash paid at the acquisition date and any subsequent associated contractual payments reflected in the period in which cash was paid.
Capital Deployment is calculated as the summation of the following line items from Royalty Pharma's GAAP condensed consolidated statements of cash flows: *Investments in equity method investees, Purchases of available for sale debt securities, Acquisitions of financial royalty assets, Acquisitions of other financial assets, Milestone payments, Development-stage funding payments, less Contributions from legacy non-controlling interests - R&D*.
- 6) Return on Invested Capital ("ROIC") is calculated as Adjusted EBITDA plus accelerated receipts, less nominal equity performance awards earned ("ROIC Adjusted EBITDA") divided by the average of Invested Capital at Work at the beginning and end of the year. Invested Capital at Work is calculated as total cumulative Capital Deployment less cumulative Capital Deployment on expired products. Invested Capital at Work represents capital deployed for all active investments. Using net cash provided by operating activities, the closest GAAP measure to ROIC Adjusted EBITDA, the ratios are 15.0% and 11.5% for ROIC, based on the 2019 to 2025 average and 2025, respectively. Refer to the Appendix for a GAAP to non-GAAP reconciliation.
- 7) Return on Invested Equity ("ROIE") is calculated as Portfolio Cash Flow plus accelerated receipts, less nominal equity performance awards earned ("ROIE Portfolio Cash Flow") divided by the average of Invested Equity at Work at year-end and prior year-end. Invested Equity at Work is calculated as Invested Capital at Work less net debt. Net debt is calculated as principal value of debt, less the sum of cash and cash equivalents and marketable securities as of each period end. Using net cash provided by operating activities, the closest GAAP measure to ROIE Portfolio Cash Flow, the ratios are 23.4% and 18.0% for ROIE, based on the 2019 to 2025 average and 2025, respectively. Refer to the Appendix for a GAAP to non-GAAP reconciliation.
- 8) Illustrative returns reflect a combination of actual results and estimated projected returns for investments based on analyst consensus sales projections (where applicable). IRR (or returns) are calculated using total cash outflows and total cash inflows, in each case including royalties, milestones and other cash flows.

Financial Targets and Long-Term Outlook

Royalty Pharma has not reconciled certain non-GAAP targets to the most directly comparable GAAP measure, net cash provided by operating activities, 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 equity method investees, and interest received. The Company is not able to forecast on a GAAP basis with reasonable certainty all adjustments needed in order to project net cash provided by operating activities on a GAAP basis at this time. Royalty Pharma's long-term outlook is based on its most up-to-date view on its prospects as of September 11, 2025. This long-term outlook assumes no major unforeseen adverse events subsequent to the date of this presentation. Growth outlook includes future royalty acquisitions. Furthermore, Royalty Pharma may amend its long-term outlook in the event it engages in new royalty transactions. See the information on slide 2 "Forward Looking Statements & Non-GAAP Financial Information," for factors that may impact the long-term outlook.

Appendix

2026 and 2027 clinical and regulatory events

Clinical

2026		
obexelimab Phase 3 results ⁽¹⁾ (IgG4-RD)	pelacarsen Phase 3 results ⁽⁴⁾ (cardiovascular disease)	daraxonrasib Phase 3 results ⁽⁷⁾ (2L metastatic PDAC)
litifilimab Phase 3 results ⁽²⁾ (SLE)	deucrictibant (XR) Phase 3 results ⁽⁵⁾ (HAE attacks prophylaxis)	Cobenfy Phase 3 results ⁽⁸⁾ (ADP)
Myqorzo Phase 3 results ⁽³⁾ (nHCM)	Trodelvy Phase 3 results ⁽⁶⁾ (1L mNSCLC)	Niktimvo Phase 2 results ⁽⁹⁾ (IPF)
obexelimab Phase 2 results ⁽¹⁾ (SLE)	litifilimab Phase 2 results ⁽²⁾ (CLE)	

2027

2027		
olpasiran Phase 3 results ⁽¹⁰⁾ (cardiovascular disease)	frexalimab Phase 3 results ⁽¹¹⁾ (multiple sclerosis)	seltorexant Phase 3 results ⁽¹⁰⁾ (MDD)
litifilimab Phase 3 results ⁽²⁾ (CLE)	daraxonrasib Phase 3 results ⁽¹⁰⁾ (2L NSCLC)	Imdelltra Phase 3 results ⁽¹⁰⁾ (1L SCLC)

Regulatory

2026		
TEV-749 FDA approval ⁽¹²⁾ (schizophrenia)	zidesamtinib FDA approval ⁽¹⁴⁾ (ROS1+ NSCLC)	Trodelvy FDA approval ⁽¹⁵⁾ (1L mTNBC)
tividenofusp alfa FDA approval ⁽¹³⁾ (Hunter syndrome)	neladalkib FDA filing ⁽¹⁴⁾ (ALK+ NSCLC)	pelabresib EMA filing ⁽⁴⁾ (myelofibrosis)
deucrictibant (IR) FDA filing ⁽⁵⁾ (HAE attacks)	obexelimab FDA filing ⁽¹⁾ (IgG4-RD)	

2027

2027		
deucrictibant (IR) FDA approval (HAE attacks)	pelacarsen FDA approval (cardiovascular disease)	litifilimab FDA filing (SLE)
obexelimab FDA approval (IgG4-RD)	pelabresib EMA approval (myelofibrosis)	neladalkib FDA approval (ALK+ NSCLC)

Regulatory events in 2027 are estimated based on the timing of Phase 3 results and expected filing timelines.

1L: first-line; 2L: second-line; IgG4-RD: immunoglobulin G4 related disease; SLE: systemic lupus erythematosus; nHCM: non-obstructive hypertrophic cardiomyopathy; CLE: cutaneous lupus erythematosus; HAE: hereditary angioedema; mNSCLC: metastatic non small cell lung cancer; PDAC: pancreatic ductal adenocarcinoma; ADP: Alzheimer's Disease Psychosis; IPF: idiopathic pulmonary fibrosis; MDD: major depressive disorder; SCLC: small cell lung cancer; ROS1: ROS proto-oncogene 1; NSCLC: non small cell lung cancer; ALK+: anaplastic lymphoma kinase-positive; mTNBC: metastatic triple negative breast cancer; FDA: Food and Drug Administration; EMA: European Medicines Agency

1. Zenas BioPharma press release, January 5, 2026. 2. Biogen Q4 earnings presentation, February 6, 2026. 3. Cytokinetics Q3 press release, November 5, 2025. 4. Novartis Q4 presentation, February 4, 2026. 5. Pharvaris press release, January 12, 2026. 6. Gilead presentation, January 12, 2026. Refers to Phase 3 EVOKE-03 study. 7. Revolution Medicines Q3 press release, November 5, 2025. 8. Bristol Myers Squibb Q4 presentation, February 5, 2026. 9. Syndax presentation, January 12, 2026. 10. clinicaltrials.gov. 11. Sanofi Q4 presentation, January 29, 2026. 12. Teva Q4 presentation, January 28, 2026. 13. Denali Therapeutics press release, January 6, 2026. 14. Nuvalent press release, January 12, 2026. The FDA has assigned a PDUFA date of September 18, 2026 for zidesamtinib. 15. Gilead presentation, January 12, 2026. Refers to Phase 3 ASCENT-04/KEYNOTE-D19 study and Phase 3 ASCENT-03 study.

Development-stage pipeline: 20 potential therapies

Initial and additional indications for development-stage therapies

Phase 2		Phase 3			Registration
CK-586 Heart failure	tulmimetostat (CPI-0209) Blood cancer, solid tumors	omecamtiv mecarbil Heart failure	pelacarsen CV disease (secondary prevention)	olpasiran CV disease (secondary prevention)	TEV-749 Schizophrenia
TEV-408⁽¹⁾ Vitiligo	neladalkib⁽²⁾ 2L+ ALK-positive NSCLC	trontinemab Early symptomatic AD	ampreloxetine Symptomatic nOH in MSA	seltorexant MDD w/insomnia symptoms	tividenofusp alfa MPS II (Hunter syndrome)
		daraxonrasib 2L metastatic pancreatic cancer	pelabresib Myelofibrosis	ecopipam Tourette syndrome	zidesamtinib 2L+ ROS1-positive NSCLC
			litifilimab Systemic lupus erythematosus	frexalimab Relapsing multiple sclerosis	
			obexelimab IgG4-related disease	deucrictibant (IR) Hereditary angioedema	
<hr/>					
obexelimab Relapsing multiple sclerosis	frexalimab FSGS or MCD	trontinemab⁽⁴⁾ Preclinical AD	daraxonrasib 2L/3L metastatic NSCLC	olpasiran CV disease (primary prevention)	
obexelimab Systemic lupus erythematosus	frexalimab Type 1 diabetes	deucrictibant (XR) Hereditary angioedema	daraxonrasib 1L metastatic pancreatic cancer	litifilimab Cutaneous lupus erythematosus	
TEV-408 Celiac disease	zidesamtinib⁽³⁾ 1L ROS1-positive NSCLC	deucrictibant AAE-C1INH	daraxonrasib Resectable pancreatic cancer	frexalimab Secondary progressive multiple sclerosis	
			daraxonrasib (+ pembrolizumab) 1L NSCLC		
			neladalkib 1L ALK-positive NSCLC		

1L: first-line; 2L: second-line; 3L: third-line; FSGS: focal segmental glomerulosclerosis; MCD: minimal change disease; AD: Alzheimer's disease; ALK: Anaplastic Lymphoma Kinase; NSCLC: non small cell lung cancer; XR: extended release; AAE-C1INH: acquired angioedema due to C1-inhibitor deficiency; ROS1: ROS proto-oncogene 1; CV: cardiovascular; nOH: neurogenic orthostatic hypotension; MSA: multiple system atrophy; IgG4-RD: immunoglobulin G4-related disease; MDD: major depressive disorder; IR: immediate release

1. Teva is targeting to start a Phase 2b study in vitiligo in 2026. 2. ALKOVE-1 Phase 1/2 clinical trial is designed with registrational intent. 3. ARROS-1 Phase 1/2 Clinical Trial is designed with registrational intent. 4. Roche plans to initiate a Phase 3 in pre-clinical Alzheimer's disease

Approved royalty portfolio: significant label expansion opportunities

Additional indications for approved products

Additional indication	Phase 2		Phase 3			Registration
	Trodelvy (+ combinations) 1L mUC	Niktimvo (+ Jakafi) 1L cGvHD	Trodelvy (+pembrolizumab) ⁽³⁾ 1L mNSCLC	Trodelvy (+ pembrolizumab) High risk adjuvant TNBC	Cobenfy Psychosis in Alzheimer's disease	Spinraza (higher dose) Spinal Muscular Atrophy
Trodelvy (+ pembrolizumab) ⁽¹⁾ 1L mNSCLC	Tremfya + golutumab Ulcerative colitis, Crohn's disease	Trodelvy 1L HR+/HER2- mBC post endocrine	Trodelvy 2L+ mEC	Cobenfy Agitation in Alzheimer's disease	Tremfya PsA Structural Damage	
Trodelvy Lung, HNSCC and endometrial	Niktimvo Idiopathic pulmonary fibrosis	Trodelvy Extensive-stage SCLC	Adstiladrin (+ chemo, pembrolizumab) High risk NMIBC	Cobenfy Bipolar I Disorder	Trodelvy (+ pembrolizumab) 1L mTNBC (PD-L1+)	
Adstiladrin Low-grade UTUC		Erleada High risk prostate cancer ⁽⁴⁾	Adstiladrin Intermediate risk NMIBC	Cobenfy Alzheimer's disease cognition	Trodelvy 1L TNBC (PD-L1-)	
		Erleada Localized prostate cancer ⁽⁵⁾	Tazverik (+ Revlimid, Rituxan) 2L Follicular lymphoma	Cobenfy Adjunctive bipolar mania		
		Rytelo R/R myelofibrosis	Niktimvo (+ steroids) 1L cGvHD	Imdelltra 1L Limited-Stage SCLC		
		salanersen (once-yearly) Spinal Muscular Atrophy	Skytrofa Growth hormone indications ⁽²⁾	Imdelltra (+ Imfinzi) 1L Induction ES SCLC		
			Myqorzo nHCM	Imdelltra (+ Imfinzi) 1L Maintenance ES SCLC		
				Imdelltra Advanced NECs		

Rare disease
 Neuroscience
 Oncology
 Immunology
 Cardio-Metabolic

1L: first-line; 2L: second-line; mUC: metastatic urothelial carcinoma; mNSCLC: metastatic non-small-cell lung carcinoma; HNSCC: head and neck squamous cell carcinoma; UTUC: upper tract urothelial carcinoma; cGvHD: chronic graft versus host disease; TNBC: triple negative breast cancer; HR+/HER2-: hormone receptor-positive, human epidermal growth factor receptor 2-negative; mBC: metastatic breast cancer; SCLC: small cell lung cancer; R/R: relapsed/refractory; mTNBC: metastatic triple negative breast cancer; mEC: metastatic endometrial cancer; NMIBC: non-muscle invasive bladder cancer; nHCM: non-obstructive hypertrophic cardiomyopathy; ES: extensive-stage; NECs: neuroendocrine carcinomas; PsA: psoriatic arthritis

1. EVOKE-02. 2. Ascendis plans to initiate a basket trial in the fourth quarter of 2025 for several established growth-hormone indications including: Idiopathic Short Stature (ISS), short stature homeobox-containing gene deficiency (SHOX deficiency), Turner syndrome, and Small for Gestational Age (SGA). 3. EVOKE-03. 4. High risk localized advanced prostate cancer prior to radical prostatectomy. 5. High risk localized advanced prostate cancer receiving primary radiation therapy.

Expanding Teva partnership with R&D funding on TEV-‘408

Deal structure drives attractive risk/reward

Transaction terms

Risk-mitigated partnership structure; RP provides \$75m to co-fund Phase 2b study with additional funding available at RP option after study results⁽¹⁾

TEV-‘408: potential BIC anti-IL-15 mAB for autoimmune diseases⁽²⁾

Emerging Phase 1b vitiligo data support potential best-in-class efficacy; attractive subcutaneous profile with potential for quarterly dosing

High unmet patient need in lead indication vitiligo

Opzelura the only FDA approved therapy but use restricted to 10% of body's surface; standard of care therapies have limited efficacy and durability⁽³⁾

Attractive returns and large market opportunity

Expect unlevered IRR in the teens; RP sees blockbuster potential for TEV-‘408 in vitiligo with ~3m U.S. prevalence⁽⁴⁾ and >1m patients diagnosed⁽⁵⁾

RP option to scale investment following Phase 2b results

Teva provides TEV-‘408 Phase 2b vitiligo results, decision whether to move into Phase 3



Royalty Pharma provides \$75m for Phase 2b study

ROYALTY PHARMA

2026

Royalty Pharma and Teva may co-fund pivotal program



Royalty Pharma option to provide \$425m in additional funding

ROYALTY PHARMA



BIC: best-in-class; mAB: monoclonal antibody

1. Royalty Pharma and Teva transaction announced on January 11, 2026.

2. Autoimmune diseases include vitiligo, celiac disease, eosinophilic esophagitis, alopecia areata, atopic dermatitis, Sjogren's syndrome, systemic lupus erythematosus and rheumatoid arthritis, among others.

3. Standard of care therapies include topicals (Incyte's Opzelura, corticosteroids, calcineurin inhibitors) and phototherapy.

4. Gandhi et al. JAMA Dermatol 2021.

5. Royalty Pharma claims analysis.

Acquired remaining royalty on Roche's Evrysdi from PTC Therapeutics



Evrysdi – leading product in the ~\$5 billion SMA market⁽¹⁾

Transaction terms

December 2025: \$240m upfront, up to \$60m in sales-based milestones⁽²⁾; RP now owns 100% of the tiered 8% to 16% royalty on worldwide sales⁽³⁾

Preferred therapy in blockbuster SMA market

Key growth driver for Roche; treated >21,000 patients globally⁽⁴⁾ driven by strong clinical benefit and compelling convenience advantage as an oral therapy

RP diligence supports continued growth

Extensive diligence across 3 transactions with PTC Therapeutics underpins RP's conviction of future growth; consensus sales of ~\$3bn by 2031

Attractive returns

Expected unlevered IRR in high single to low double digits under a range of scenarios, consistent with our return target for approved therapies

Acquired entire Evrysdi royalty across 3 transactions

Tiered 8% to 16% royalty on sales of Roche's Evrysdi



ROYALTY PHARMA

~\$2.1bn in upfront cash; potential sales milestones

SMA: spinal muscular atrophy; IRR: internal rate of return

1. SMA market is the sum of 2025 sales of Roche's Evrysdi, Novartis' Zolgensma and Biogen's Spinraza.

2. Royalty Pharma and PTC therapeutics transaction announced on December 29, 2025.

3. Royalty Pharma is entitled to royalties of 8% on annual sales up to \$500 million, 11% on annual sales between \$500 million and \$1 billion, 14% on annual sales between \$1 billion and \$2 billion, and 16% on annual sales over \$2 billion.

4. Roche 2025 results presentation, January 29, 2026.

5. Visible Alpha consensus sales as of February 5, 2026.

Acquired royalties on Nuvalent's neladalkib and zidesamtinib for NSCLC

Two premier oncology therapies

Transaction terms

Up to \$315m to acquire a 1.5% royalty on each therapy⁽²⁾; expected to generate IRR in the teens

High unmet patient need in ALK+/ROS1 NSCLC

Existing TKIs offer efficacy and safety tradeoffs (such as CNS side effects), impacting time on therapy

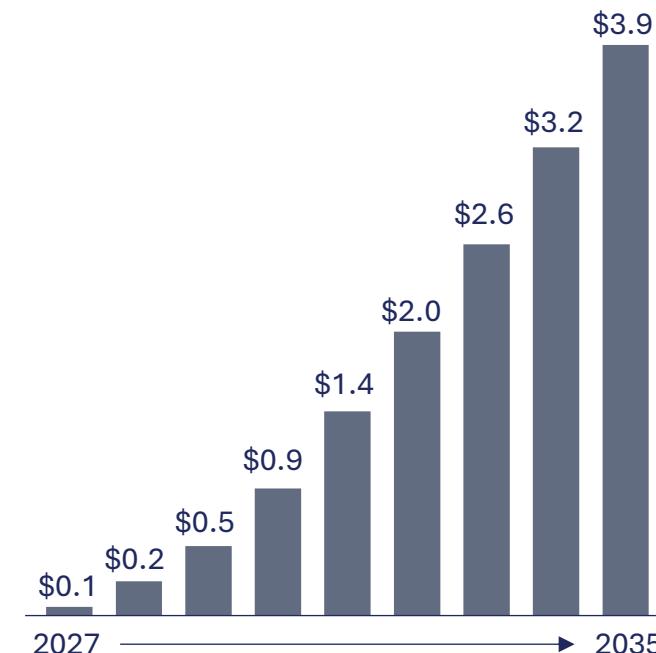
Strong clinical results for both therapies

Deep and durable responses in TKI-pre-treated patients; best-in-class tolerability profile

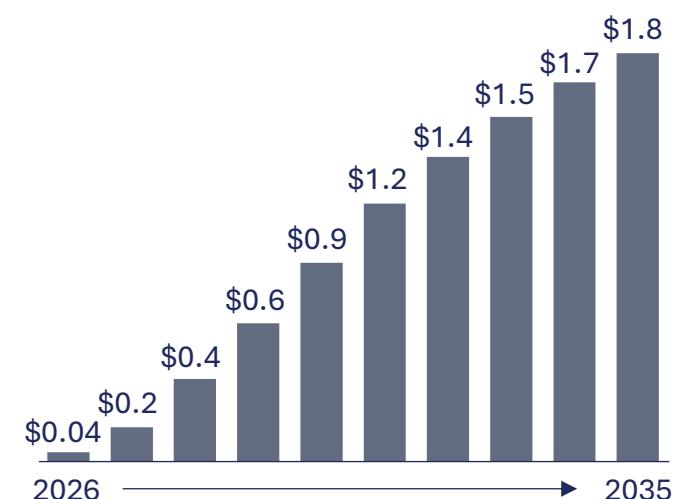
Large market with growth potential

ALK+ NSCLC market ~\$3bn in 2024 sales⁽³⁾; Xalkori (ROS1 market leader) generates sales of ~\$400m+⁽⁴⁾

Neladalkib (ALK+) consensus sales⁽¹⁾ (\$ in billions)



Zidesamtinib (ROS1) consensus sales⁽¹⁾ (\$ in billions)



NSCLC: non-small cell lung cancer; ALK+: Anaplastic Lymphoma Kinase Positive; ROS1: ROS proto-oncogene 1; IRR: internal rate of return; TKI: tyrosine kinase inhibitor; TRK: tropomyosin receptor kinase; CNS: central nervous system

1. Visible Alpha unadjusted consensus sales as of December 2025.

2. Royalty Pharma transaction to acquire neladalkib and zidesamtinib royalties announced on December 16, 2025.

3. Represents global sales of Xalkori (crizotinib) and Lorbrrena (lorlatinib) which are marketed by Pfizer, Alecensa (alectinib) which is marketed by Roche and Alunbrig (brifatinib) which is marketed by Takeda.

4. Nuvalent at the Cowen Oncology Innovation Summit, May 25, 2025.

Tividenofusp alfa synthetic royalty funding

Tividenofusp alfa for Hunter syndrome

Transaction terms

\$200m payment to Denali on FDA accelerated approval (PDUFA date of April 5, 2026) and \$75m on EMA approval^(1,2); entitled to 9.25% royalty on worldwide net sales⁽³⁾

Compelling patient benefit

Denali's TransportVehicle platform optimizes brain delivery; tividenofusp alfa Phase 1/2 results normalized key biomarkers of neurological and peripheral disease

Addressing significant unmet patient need in rare orphan condition

>2,000 patients globally with Hunter syndrome and >2/3 have neurological disease; Current standard of care (Elaprase) does not address neurological symptoms

Attractive returns

Transaction expected to deliver unlevered IRR in the low double digits to low teens under a range of scenarios

Tividenofusp alfa consensus sales⁽⁴⁾

(\$ in millions)



IRR: internal rate of return; FDA: Food and Drug Administration; EMA: European Medicines Agency

1. Royalty Pharma transaction to acquire tividenofusp alfa royalty announced on December 4, 2025.

2. Payment on EMA approval if achieved by December 31, 2029.

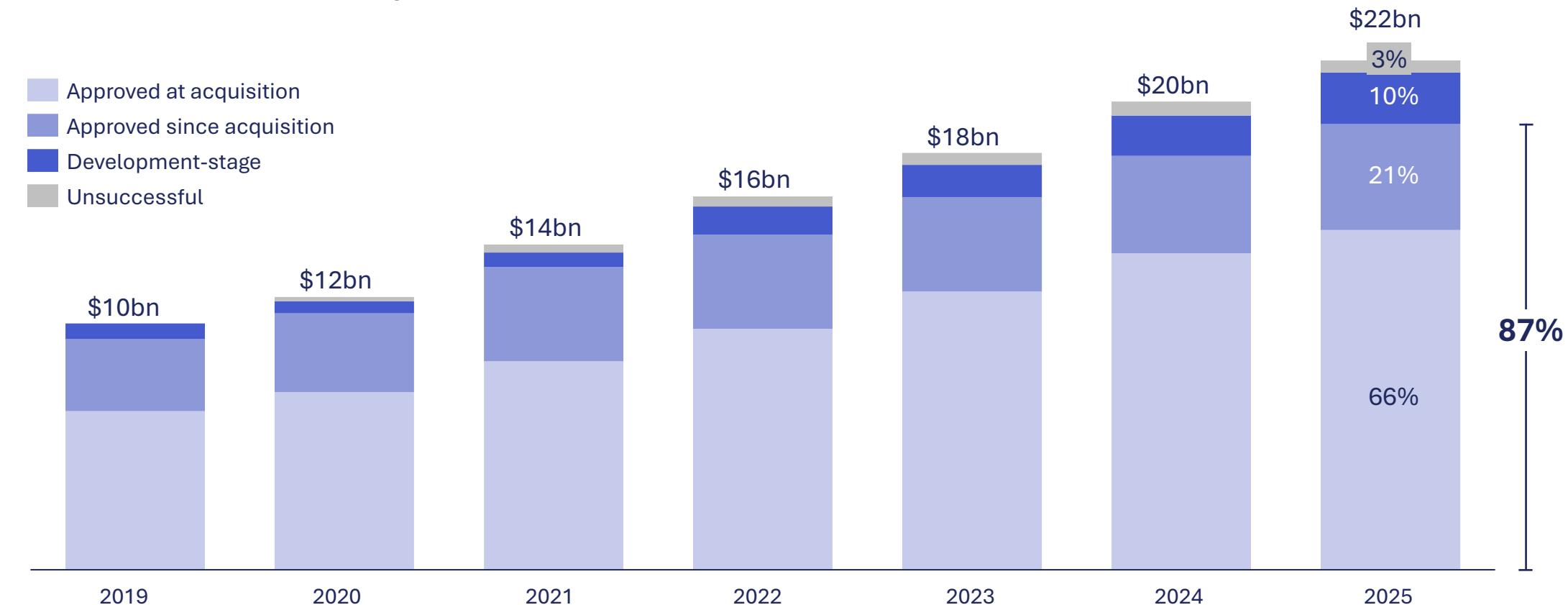
3. Royalty payments to Royalty Pharma cease upon reaching multiple of 3.0x, or 2.5x if achieved by the first quarter of 2029.

4. Visible Alpha unadjusted consensus sales, December 1, 2025.

87% of current invested capital in approved products

Low-risk portfolio driven by capital deployment in approved products and successful development-stage investments

Breakdown of total Invested Capital at Work⁽¹⁾



Amounts may not add due to rounding.

1. Represents average of Invested Capital at Work at the beginning and end of the year.

GAAP to non-GAAP reconciliation

Adjusted EBITDA and ROIC Adjusted EBITDA

\$ in millions	2019 (PF) ⁽¹⁾	2020	2021	2022 (PF) ⁽²⁾	2023 (PF) ⁽²⁾	2024	2025
Net cash provided by operating activities (GAAP)	\$1,742	\$2,035	\$2,018	\$2,144	\$2,988	\$2,769	\$2,490
<i>Adjustments:</i>							
Proceeds from available for sale debt securities	\$150	\$3	\$63	\$542	\$1	\$20	\$21
Distributions from equity method investees	-	\$15	\$1	-	\$44	\$24	\$105
Interest paid, net	\$206	\$131	\$143	\$145	\$98	\$113	\$242
Derivative collateral received, net	-	(\$45)	-	-	-	-	-
Development-stage funding payments	\$83	\$26	\$200	\$177	\$52	\$2	\$452
Payments for Employee EPAs	-	-	-	-	-	-	\$11
Distributions to legacy NCI - Portfolio Receipts	(\$525)	(\$544)	(\$480)	(\$442)	(\$377)	(\$362)	(\$355)
Accelerated Receipts	-	-	-	(\$458)	(\$525)	-	-
Adjusted EBITDA (non-GAAP)	\$1,656	\$1,621	\$1,944	\$2,109	\$2,281	\$2,565	\$2,996
Accelerated Receipts	-	-	-	\$458	\$525	-	\$511
Equity performance awards ⁽³⁾	(\$153)	-	-	-	-	-	(\$81)
ROIC Adjusted EBITDA (non-GAAP)	\$1,503	\$1,621	\$1,944	\$2,566	\$2,806	\$2,565	\$3,396

Amounts may not add due to rounding. NCI: non-controlling interests. PF: Proforma. EPAs: Equity performance awards.

1. The 2019 results are calculated on a pro forma basis, which adjusts certain cash flow line items as if our Reorganization Transactions (as described in our final prospectus filed with the SEC on June 17, 2020) and our initial public offering had taken place on January 1, 2019. The most significant difference between the pro forma and reported figures is the non-controlling interest attributable to legacy investors that resulted from the Reorganization Transactions. Additionally, the 2019 results were also adjusted to exclude the legacy non-controlling interest portion of interest paid and operating expenses.

2. The 2022 and 2023 results are calculated on a pro forma basis to exclude Accelerated Receipts (as defined in the Credit Agreement) as if Amendment No. 5 of the Credit Agreement had taken effect on January 1, 2019.

3. Amount in 2019 reflects the portion of carry distributed adjusted on a pro forma basis as if our Reorganization Transaction and our initial public offering had taken place on January 1, 2019.

GAAP to non-GAAP reconciliation

Portfolio Cash Flow and ROIE Portfolio Cash Flow

\$ in millions	2019 (PF) ⁽¹⁾	2020	2021	2022 (PF) ⁽²⁾	2023 (PF) ⁽²⁾	2024	2025
Net cash provided by operating activities (GAAP)	\$1,742	\$2,035	\$2,018	\$2,144	\$2,988	\$2,769	\$2,490
<i>Adjustments:</i>							
Proceeds from available for sale debt securities	\$150	\$3	\$63	\$542	\$1	\$20	\$21
Distributions from equity method investees	-	\$15	\$1	-	\$44	\$24	\$105
Interest paid, net	\$206	\$131	\$143	\$145	\$98	\$113	\$242
Derivative collateral received, net	-	(\$45)	-	-	-	-	-
Development-stage funding payments	\$83	\$26	\$200	\$177	\$52	\$2	\$452
Payments for Employee EPAs	-	-	-	-	-	-	\$11
Distributions to legacy NCI - Portfolio Receipts	(\$525)	(\$544)	(\$480)	(\$442)	(\$377)	(\$362)	(\$355)
Accelerated Receipts	-	-	-	(\$458)	(\$525)	-	-
Adjusted EBITDA (non-GAAP)	\$1,656	\$1,621	\$1,944	\$2,109	\$2,281	\$2,565	\$2,996
Interest paid, net	(\$206)	(\$131)	(\$143)	(\$145)	(\$98)	(\$113)	(\$242)
Portfolio Cash Flow (non-GAAP)	\$1,450	\$1,490	\$1,801	\$1,964	\$2,183	\$2,452	\$2,724
Accelerated Receipts	-	-	-	\$458	\$525	-	\$511
Equity performance awards ⁽³⁾	(\$153)	-	-	-	-	-	(\$81)
ROIE Portfolio Cash Flow (non-GAAP)	\$1,297	\$1,490	\$1,801	\$2,421	\$2,708	\$2,452	\$3,154

Amounts may not add due to rounding. NCI: non-controlling interests. PF: Proforma. EPAs: Equity performance awards.

1. The 2019 results are calculated on a pro forma basis, which adjusts certain cash flow line items as if our Reorganization Transactions (as described in our final prospectus filed with the SEC on June 17, 2020) and our initial public offering had taken place on January 1, 2019. The most significant difference between the pro forma and reported figures is the non-controlling interest attributable to legacy investors that resulted from the Reorganization Transactions. Additionally, the 2019 results were also adjusted to exclude the legacy non-controlling interest portion of interest paid and operating expenses.

2. The 2022 and 2023 results are calculated on a pro forma basis to exclude Accelerated Receipts (as defined in the Credit Agreement) as if Amendment No. 5 of the Credit Agreement had taken effect on January 1, 2019.

3. Amount in 2019 reflects the portion of carry distributed adjusted on a pro forma basis as if our Reorganization Transaction and our initial public offering had taken place on January 1, 2019.

Capital Deployment summary

\$ in millions	2019 (PF) ⁽¹⁾	2020	2021	2022	2023	2024	2025
Acquisitions of financial royalty assets	(\$1,721)	(\$2,182)	(\$2,192)	(\$1,742)	(\$2,116)	(\$2,506)	(\$1,698)
Development-stage funding payments	(\$83)	(\$26)	(\$200)	(\$177)	(\$52)	(\$2)	(\$452)
Purchases of available for sale debt securities	(\$125)	-	(\$70)	(\$480)	-	(\$150)	(\$175)
Milestone payments	(\$250)	-	(\$19)	-	(\$12)	(\$75)	(\$271)
Investments in equity method investees	(\$27)	(\$40)	(\$35)	(\$10)	(\$13)	(\$11)	-
Acquisitions of other financial assets	-	-	-	(\$21)	-	(\$18)	-
Contributions from legacy NCI – R&D	\$19	\$8	\$7	\$1	\$1	\$1	\$0
Capital Deployment	(\$2,187)	(\$2,240)	(\$2,508)	(\$2,428)	(\$2,192)	(\$2,761)	(\$2,596)

Amounts may not add due to rounding. NCI: non-controlling interests. PF: Proforma.

1. The 2019 results are calculated on a pro forma basis, which adjusts certain cash flow line items as if our Reorganization Transactions (as described in our final prospectus filed with the SEC on June 17, 2020) and our initial public offering had taken place on January 1, 2019. The most significant difference between the pro forma and reported figures is the non-controlling interest attributable to legacy investors that resulted from the Reorganization Transactions. Additionally, the 2019 results were also adjusted to exclude the legacy non-controlling interest portion of interest paid and operating expenses.

Invested Capital at Work and Invested Equity at Work summary

\$ in millions	2019 (PF)	2020	2021	2022	2023	2024	2025
Beginning Invested Capital at Work	\$10,312	\$10,424	\$12,504	\$14,837	\$16,535	\$18,496	\$20,848
Capital Deployment ⁽¹⁾	\$1,818	\$2,240	\$2,508	\$2,428	\$2,192	\$2,761	\$2,596
Expiries ⁽²⁾	(\$1,707)	(\$159)	(\$176)	(\$730)	(\$231)	(\$409)	(\$1,173)
Ending Invested Capital at Work	\$10,424	\$12,504	\$14,837	\$16,535	\$18,496	\$20,848	\$22,271
Net debt ⁽³⁾	(\$4,890)	(\$4,008)	(\$5,177)	(\$5,565)	(\$5,823)	(\$6,871)	(\$8,561)
Ending Invested Equity at Work	\$5,534	\$8,496	\$9,660	\$10,970	\$12,673	\$13,977	\$13,710
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Average Invested Capital at Work	\$10,368	\$11,464	\$13,671	\$15,686	\$17,516	\$19,672	\$21,560
Average Invested Equity at Work	\$6,010	\$7,015	\$9,078	\$10,315	\$11,822	\$13,325	\$13,844

Amounts may not add due to rounding. NCI: non-controlling interests. PF: Proforma.

1. The 2019 results are calculated on a pro forma basis, which adjusts certain cash flow line items as if our Reorganization Transactions (as described in our final prospectus filed with the SEC on June 17, 2020) and our initial public offering had taken place on January 1, 2019. The most significant difference between the pro forma and reported figures is the non-controlling interest attributable to legacy investors that resulted from the Reorganization Transactions. Further, it was adjusted to include contributions from non-controlling interests on non-R&D assets.

2. Reflects capital deployment associated with expired or partially expired royalty investments.

3. Net debt is calculated as principal value of debt, less the sum of cash and cash equivalents and marketable securities as of each period end.