ROYALTY PHARMA TO HIGHLIGHT ACCOMPLISHMENTS AND PROVIDE BUSINESS UPDATE AT 44th ANNUAL J.P. MORGAN HEALTHCARE CONFERENCE

- **Royalty funding market reached record high of $10 billion in 2025, powered by synthetic royalties**
- **Royalty Pharma maintained industry leadership with announced transactions of $4.7 billion**
- **Multiple potential value-creating milestones expected across development-stage portfolio in 2026, including pivotal data readouts for daraxonrasib, litifilimab and pelacarsen**

NEW YORK, NY, January 12, 2026 - Royalty Pharma plc (Nasdaq: RPRX) today provided an update on its business performance, including recent key accomplishments. Pablo Legorreta, Royalty Pharma's Chief Executive Officer and Chairman of the Board, will discuss these updates on January 13, 2026 as part of a webcast presentation to be held at 12:45 p.m. Eastern Time / 9:45 a.m. Pacific Time at the 44th Annual J.P. Morgan Healthcare Conference.

"2025 was a landmark year for Royalty Pharma. We are on track to deliver our full-year guidance for 14%-16% top-line growth, as discussed on our third quarter 2025 earnings call, maintaining our track record of double-digit growth," said Pablo Legorreta, Royalty Pharma's founder and Chief Executive Officer. "We strengthened our business through internalizing our external manager and we announced $4.7 billion in royalty transactions. This progress comes at a time when the royalty market reached $10 billion for the first time, underscoring the life sciences industry's growing recognition of the benefits of royalty funding, including the increasing use of innovative synthetic royalties. Looking ahead to 2026, we expect these favorable industry tailwinds to continue, supported by a robust pipeline of potential transactions. We also anticipate several important milestones across our development-stage portfolio, including pivotal readouts for multiple potential blockbuster therapies. We continue to be confident in our ability to drive sustainable and attractive returns, consistent with our goal to be the premier capital allocator in life sciences with consistent, compounding growth."

Record year for royalty funding, powered by synthetic royalty transactions

The announced total value of royalty funding market transactions reached a record high of $10 billion in 2025. This represents an approximately 40% increase over the average value of $7.1 billion per year over the prior five years (2021 to 2025). The rapid expansion of the royalty funding market reflects growing recognition in the life sciences industry of the benefits of royalty funding. Increasing capital needs, industry fragmentation and scientific innovation have resulted in royalties becoming an increasingly accepted component of biopharma companies' capital structures.

These powerful fundamental tailwinds were underscored in Deloitte's September 2025 report on the biopharma royalty market ("Role of Royalties in Funding Biopharma Innovation") which surveyed more than 110 biopharma leaders (link here). Notably, the report highlighted the attractiveness of newly-created, or synthetic, royalties – an innovation pioneered by Royalty Pharma. Consistent with their growing recognition, the total market value of announced synthetic royalty transactions increased to $4.7 billion in 2025, accounting for almost half of the growth in the royalty market.

Against this strong industry backdrop, Royalty Pharma maintained its leadership in the industry, announcing $4.7 billion in transactions in 2025 (Capital Deployment of $2.6 billion), representing a market share of approximately 40%[1]. This transaction activity included four synthetic deals for a value of $2.075 billion, more than double its previous record of $925 million in 2024.

Strong 2025 financial performance and long-term outlook

Royalty Pharma continued to deliver on its strategic and financial priorities in 2025. The successful internalization of its external manager is already bringing multiple benefits to shareholders, including significant operating and professional cost savings, strengthened shareholder alignment and enhanced governance. Furthermore, the company is confident in meeting its full year 2025 guidance for Portfolio Receipts (its "top line") of $3,200 to $3,250 million, representing 14%-16% growth year-over-year, as discussed on its third quarter 2025 earnings call.

Royalty Pharma also expects to maintain strong returns on its royalty portfolio, well above its cost of capital: the company disclosed with its third quarter 2025 results that, on a trailing twelve-month basis, it achieved a Return on Invested Capital of 15.7% and Return on Invested Equity of 22.9%.

As announced at its September 2025 Investor Day, Royalty Pharma's goal is to deliver at least $4.7 billion of Portfolio Receipts in 2030, consistent with the target it announced in 2022 and implying growth of 9% or greater over the 2025-2030 period and double-digit growth over the decade. This is expected to result in Portfolio Cash Flow, a non-GAAP liquidity measure, of approximately $4.0 billion in 2030. Based on this outlook, Royalty Pharma expects to deliver at least a mid-teens average total shareholder return over 2025-2030.

Multiple milestones anticipated for development-stage pipeline in 2026

Royalty Pharma's pipeline of royalties on 20 development-stage therapies achieved important milestones in 2025, including U.S. Food and Drug Administration ("FDA") approval of Myqorzo (in symptomatic obstructive hypertrophic cardiomyopathy) and positive Phase 3 readouts for ecopipam (Tourette's syndrome), TEV-'749 (schizophrenia) and deucrictibant (hereditary angioedema). Each of these opportunities is anticipated to have the potential to achieve more than $1 billion in peak annual sales, helping to power Royalty Pharma's top-line growth beyond 2030.

In 2026, Royalty Pharma anticipates multiple additional milestones for its development-stage pipeline, including pivotal readouts for potential blockbuster therapies daraxonrasib (pancreatic cancer), litifilimab (lupus) and pelacarsen (cardiovascular disease). Additionally, the company anticipates FDA approval and launch of several of the therapies noted above as well as for zidesamtinib (ROS1 mutation-positive non-small cell lung cancer), which has a Prescription Drug User Fee Act date of September 18, 2026.

Taken together, these pending readouts and approvals could unlock significant value and contribute to Royalty Pharma sustaining attractive growth and returns through 2030 and beyond. Based on sell-side analysts' consensus sales forecasts and marketer guidance, the therapies in Royalty Pharma's late-stage pipeline have the combined potential to achieve non-risk adjusted peak sales in excess of $43 billion per year, which could translate to greater than $2.1 billion annually in new royalties to Royalty Pharma.

Webcast of J.P. Morgan Healthcare Conference

Royalty Pharma will present at the 44th Annual J.P. Morgan Healthcare Conference at 12:45 p.m. ET / 9:45 a.m. PT on January 13, 2026. The webcast will be accessible from Royalty Pharma's "Events" page at www.royaltypharma.com/investors/news-and-events/events. The webcast will be archived for a minimum of thirty days.

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 and Alyftrek, GSK's Trelegy, Roche's Evrysdi, Johnson & Johnson's Tremfya, Biogen's Tysabri and Spinraza, Servier's Voranigo, AbbVie and Johnson & Johnson's Imbruvica, Astellas and Pfizer's Xtandi, Pfizer's Nurtec ODT, and Gilead's Trodelvy, and 20 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 Royalty Pharma's strategies, financing plans, growth opportunities, market growth, and plans for capital deployment. In some cases, you can identify such forward-looking statements by terminology such as "may," "might," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "target," "forecast," "guidance," "goal," "predicts," "project," "potential" or "continue," 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 Royalty Pharma'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. Royalty Pharma 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. For further information, please reference Royalty Pharma's reports and documents filed with the U.S. Securities and Exchange Commission ("SEC") by visiting EDGAR on the SEC's website at www.sec.gov.

Portfolio Receipts

Portfolio Receipts is a key performance metric that represents Royalty Pharma's ability to generate cash from Royalty Pharma's portfolio investments, the primary source of capital that is deployed to make new portfolio investments. Portfolio Receipts is defined as the sum of Royalty Receipts and Milestones and other contractual receipts. Royalty Receipts includes variable payments based on sales of products, net of contractual payments to the legacy non-controlling interests, that are attributed to Royalty Pharma.

Milestones and other contractual receipts include sales-based or regulatory milestone payments and other fixed contractual receipts, net of contractual payments to 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 proceeds from purchases and sales of marketable securities, both of which are not central to Royalty Pharma's fundamental business strategy.

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, milestones and other contractual receipts to the Legacy Investors Partnerships.

Use of Non-GAAP Measures

Adjusted EBITDA, ROIC Adjusted EBITDA, Portfolio Cash Flow and ROIE Portfolio Cash Flow are non-GAAP liquidity measures that exclude the impact of certain items and therefore have not been calculated in accordance with GAAP. Management believes that Adjusted EBITDA and Portfolio Cash Flow are important non-GAAP measures used to analyze liquidity because they are key components of certain material covenants contained within Royalty Pharma's credit agreement. Royalty Pharma cautions readers that amounts presented in accordance with the definitions of Adjusted EBITDA, ROIC Adjusted EBITDA, Portfolio Cash Flow and ROIE Portfolio Cash Flow may not be the same as similar measures used by other companies or analysts. These non-GAAP liquidity measures have limitations as analytical tools, and you should not consider them in isolation or as a substitute for the analysis of Royalty Pharma's results as reported under GAAP.

The definitions of Adjusted EBITDA and Portfolio Cash Flow used by Royalty Pharma are the same as the definitions in the credit agreement. Noncompliance with the interest coverage ratio, leverage ratio and Portfolio Cash Flow ratio covenants under the credit agreement could result in lenders requiring the company to immediately repay all amounts borrowed. If Royalty Pharma cannot satisfy these covenants, it would be prohibited under the 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 and Portfolio Cash Flow are critical to the assessment of Royalty Pharma's liquidity.

Adjusted EBITDA, ROIC Adjusted EBITDA, Portfolio Cash Flow and ROIE Portfolio Cash Flow are used by management as key liquidity measures in the evaluation of the company's ability to generate cash from operations. Management uses adjusted

EBITDA, ROIC Adjusted EBITDA, Portfolio Cash Flow and ROIE Portfolio Cash Flow when considering available cash, including for decision-making purposes related to funding of acquisitions, debt repayments, dividends and other discretionary investments. Further, these non-GAAP liquidity measures help management, the audit committee and investors evaluate the company's ability to generate liquidity from operating activities.

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Royalty Pharma plc

GAAP to Non-GAAP Reconciliation – Adjusted EBITDA and ROIC Adjusted EBITDA

Table 1

($ in millions)	2019 (PF)[1]	2020	2021	2022 (PF)[2]	2023 (PF)[2]	2024	Q3 2025 LTM
Net cash provided by operating activities (GAAP)	**1,742**	**2,035**	**2,018**	**2,144**	**2,988**	**2,769**	**2,405**
Adjustments							
Proceeds from available for sale debt securities	150	3	63	542	1	20	31
Distributions from equity method investees	-	15	1	-	44	24	103
Interest paid, net	206	131	143	145	98	113	233
Derivative collateral received, net	-	(45)	-	-	-	-	-
Development-stage funding payments	83	26	200	177	52	2	402
Payments for Employee EPAs	-	-	-	-	-	-	2
Distributions to legacy NCI - Portfolio Receipts	(525)	(544)	(480)	(442)	(377)	(362)	(357)
Accelerated receipts	-	-	-	(458)	(525)	-	-
Adjusted EBITDA (non-GAAP)	**1,656**	**1,621**	**1,944**	**2,109**	**2,281**	**2,565**	**2,820**
Accelerated receipts	-	-	-	458	525	-	511
Equity performance awards[3]	(153)	-	-	-	-	-	(50)
ROIC Adjusted EBITDA (non-GAAP)	**1,503**	**1,621**	**1,944**	**2,566**	**2,806**	**2,565**	**3,281**

Amounts may not add due to rounding. NCI = non-controlling interests. EPAs = equity performance awards. LTM = last twelve months.
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.

Royalty Pharma plc

GAAP to Non-GAAP Reconciliation – Portfolio Cash Flow and ROIE Portfolio Cash Flow

Table 2

($ in millions)	2019 (PF)[1]	2020	2021	2022 (PF)[2]	2023 (PF)[2]	2024	Q3 2025 LTM
Net cash provided by operating activities (GAAP)	**1,742**	**2,035**	**2,018**	**2,144**	**2,988**	**2,769**	**2405**
Adjustments							
Proceeds from available for sale debt securities	150	3	63	542	1	20	31
Distributions from equity method investees	-	15	1	-	44	24	103
Interest paid, net	206	131	143	145	98	113	233
Derivative collateral received, net	-	(45)	-	-	-	-	-
Development-stage funding payments	83	26	200	177	52	2	402
Payments for Employee EPAs	-	-	-	-	-	-	2
Distributions to legacy NCI - Portfolio Receipts	(525)	(544)	(480)	(442)	(377)	(362)	(357)
Accelerated receipts	-	-	-	(458)	(525)	-	-
Adjusted EBITDA (non-GAAP)	**1,656**	**1,621**	**1,944**	**2,109**	**2,281**	**2,565**	**2820**
Interest paid, net	(206)	(131)	(143)	(145)	(98)	(113)	(233)
Portfolio Cash Flow (non-GAAP)	**1,450**	**1,490**	**1,801**	**1,964**	**2,183**	**2,452**	**2586**
Accelerated receipts	-	-	-	458	525	-	511
Equity performance awards [3]	(153)	-	-	-	-	-	(50)
ROIE Portfolio Cash Flow (non-GAAP)	**1,297**	**1,490**	**1,801**	**2,421**	**2,708**	**2,452**	**3047**

Amounts may not add due to rounding. NCI = non-controlling interests. EPAs = equity performance awards. LTM = last twelve months.

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.

Notes

(1) Royalty Pharma market share excludes the $750 million senior secured loan associated with the Revolution Medicines transaction.

(2) Portfolio Receipts is a key performance metric that represents Royalty Pharma's ability to generate cash from Royalty Pharma's portfolio investments, the primary source of capital that Royalty Pharma can deploy to make new portfolio investments. Portfolio Receipts is defined as the sum of Royalty Receipts and Milestones and other contractual receipts. Royalty Receipts includes 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.

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, milestones and other contractual receipts to the Legacy Investors Partnerships.

(3) Adjusted EBITDA is defined under the 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 GAAP condensed consolidated statements of cash flows.

(4) Portfolio Cash Flow is defined under the credit agreement as Adjusted EBITDA minus interest paid or received, net. Portfolio Cash Flow reflects the cash generated by Royalty Pharma's business that can be redeployed into value-enhancing royalty acquisitions, used to repay debt, returned to shareholders through dividends or share purchases or utilized for other discretionary investments.

(5) 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 is calculated as Adjusted EBITDA plus accelerated receipts, less nominal EPAs earned (ROIC Adjusted EBITDA) divided by the average of beginning and ending capital deployed for all active investments (Invested Capital at Work).

(7) Return on Invested Equity is calculated as Portfolio Cash Flow plus accelerated receipts, less nominal EPAs earned (ROIE Portfolio Cash Flow) divided by the average of beginning and ending capital deployed for all active investments, less net debt (Invested Equity at Work).

(8) Royalty Pharma's long-term targets are based on its most up-to-date view of its prospects. Royalty Pharma assumes no major unforeseen adverse events subsequent to the date of this press release. Furthermore, Royalty Pharma may amend its long-term targets in the event it engages in new royalty transactions. Royalty Pharma has not reconciled its non-GAAP long-term 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 non-consolidated affiliates and interest received. Royalty Pharma 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 at this time.