

**ROYALTY PHARMA**

# Q1 2026 Financial Results

May 6, 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 27. 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

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## Key Highlights



**Pablo Legorreta**

Chief Executive Officer, Chairman of the Board

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## R&D Co-Funding



**Chris Hite**

Chairman, Partnering & Investments

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## Portfolio Update



**Marshall Urist**

EVP, Head of Research & Investments

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## Financial Results



**Terrance Coyne**

EVP, Chief Financial Officer

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## Conclusion



**Pablo Legorreta**

Chief Executive Officer, Chairman of the Board

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## Q&A Session

**All presenters**

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# Key Highlights

Pablo Legorreta

Chief Executive Officer, Chairman of the Board

**ROYALTY PHARMA**



# Strong business momentum in Q1 2026

## 1

### Financial

Double-digit growth in Royalty Receipts (+13%) and Portfolio Receipts (+10%)<sup>(1)</sup>

Return on Invested Capital (ROIC) of 14.1%, Return on Invested Equity (ROIE) of 19.7% in LTM Q1 2026

## 2

### Capital allocation

\$1.25bn of announced transactions on 3 therapies (\$528m of Capital Deployment)

Repurchased \$50m of shares; grew dividend by 7% in Q1 2026

## 3

### Portfolio

Positive phase 3 results for Revolution Medicines' daraxonrasib (pancreatic cancer), Cytokinetics' Myqorzo (nHCM), FDA approval of Denali's Avlayah (Hunter syndrome)

R&D co-funding agreement on J&J's JNJ-4804 (autoimmune)

Acquired royalty on Jazz and BeOne's Ziihera (cancer)

## 4

### Financial guidance

FY 2026 Portfolio Receipts expected to be \$3,325m to \$3,450m excluding new investments<sup>(2)</sup> (\$3,275m to \$3,425m previously)

- Royalty Receipts growth of ~4% to 8% (+3% to 8% previously)

LTM: last twelve months; FDA: Food and Drug Administration; R&D: research and development; nHCM: non-obstructive hypertrophic cardiomyopathy

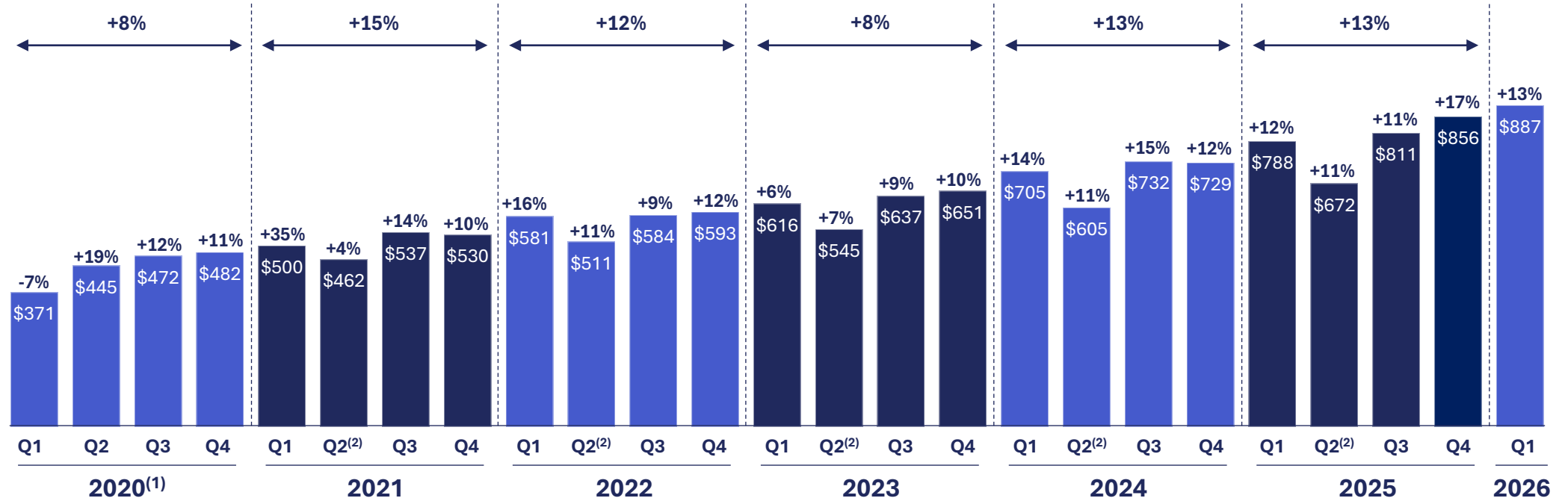
1. Royalty Receipts represent recurring cash inflows. Portfolio Receipts also include Milestones and other contractual receipts that are more variable.

2. Portfolio Receipts guidance 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	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	2021 Q2 <sup>(2)</sup>	2021 Q3	2021 Q4	2022 Q1	2022 Q2 <sup>(2)</sup>	2022 Q3	2022 Q4	2023 Q1	2023 Q2 <sup>(2)</sup>	2023 Q3	2023 Q4	2024 Q1	2024 Q2 <sup>(2)</sup>	2024 Q3	2024 Q4	2025 Q1	2025 Q2 <sup>(2)</sup>	2025 Q3	2025 Q4	2026 Q1
	\$382	\$462	\$472	\$484	\$524	\$475	\$587	\$543	\$605	\$524	\$597	\$606 <sup>(3)</sup>	\$656 <sup>(3)</sup>	\$545	\$637	\$686 <sup>(3)</sup>	\$717	\$608	\$735	\$742	\$839	\$727	\$814	\$874	\$925

1. Growth rates are presented on a pro forma basis. See slide 27 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.

# Expanding our global platform and capabilities

Strengthening our leadership team, global reach and AI-powered insights to support long-term growth



**Greg Butz**  
EVP, Partnering & Investments



Strengthen ability to  
serve partners



**Kenneth Sun**  
SVP, Head of Asia



Lead royalty  
business in Asia



**Lucas Glass**  
VP, Head of Artificial Intelligence



Build and implement AI  
and data solutions

# R&D Co-Funding

Chris Hite

Chairman  
Partnering & Investments

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# R&D co-funding agreements are a win-win solution



R&D: research and development; ROI: return on investment

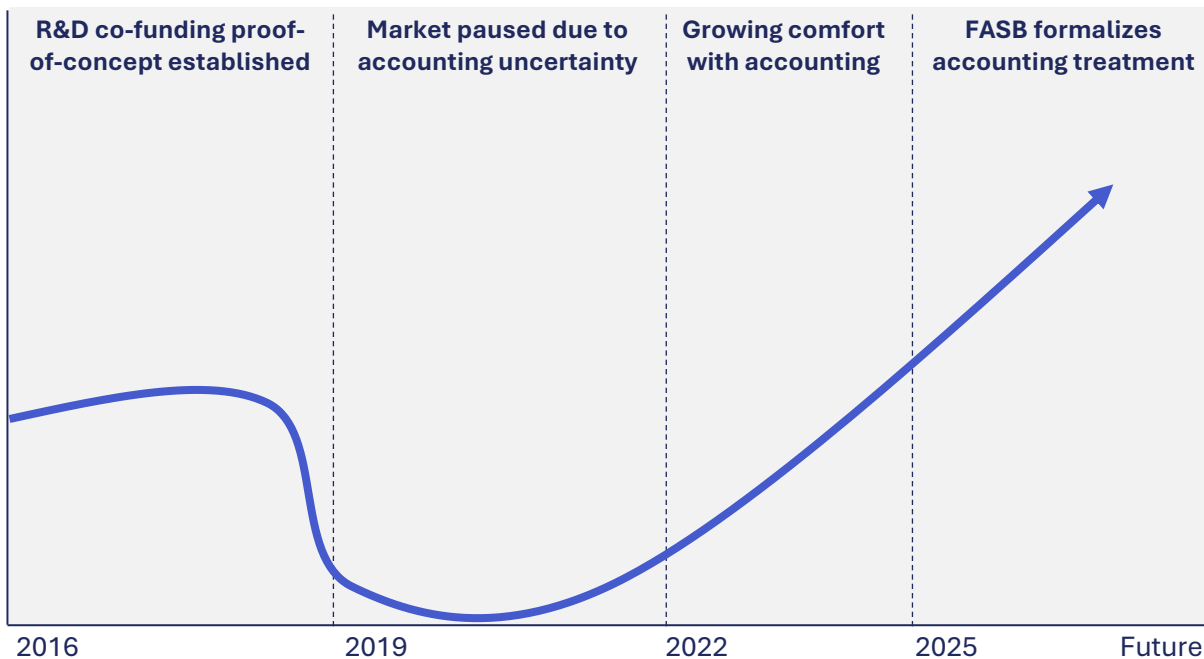
1. Represents Visible Alpha estimates for R&D spend for profitable global biopharma from 2026-2030.

# Majority of global biopharma have utilized R&D co-funding

Increased comfort with accounting treatment and growing recognition of benefits driving adoption

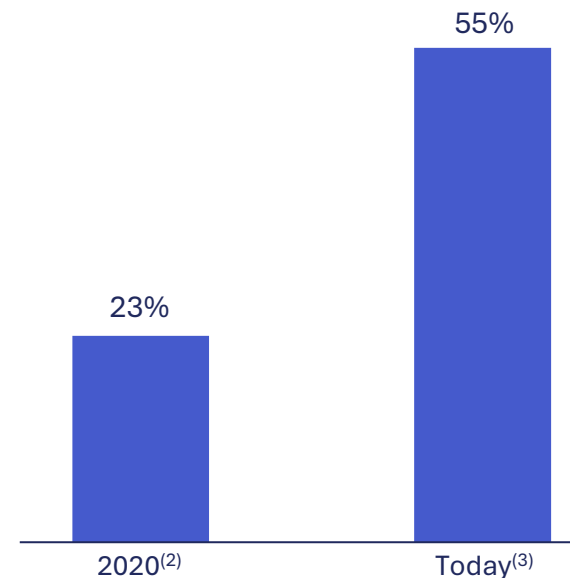
## Value of R&D co-funding transactions

(Illustrative)



## Growing acceptance of R&D co-funding

(% of global biopharma utilizing R&D co-funding)<sup>(1)</sup>



FASB: Financial Accounting Standards Board; R&D: research and development

Information presented above are based on Royalty Pharma internal estimates.

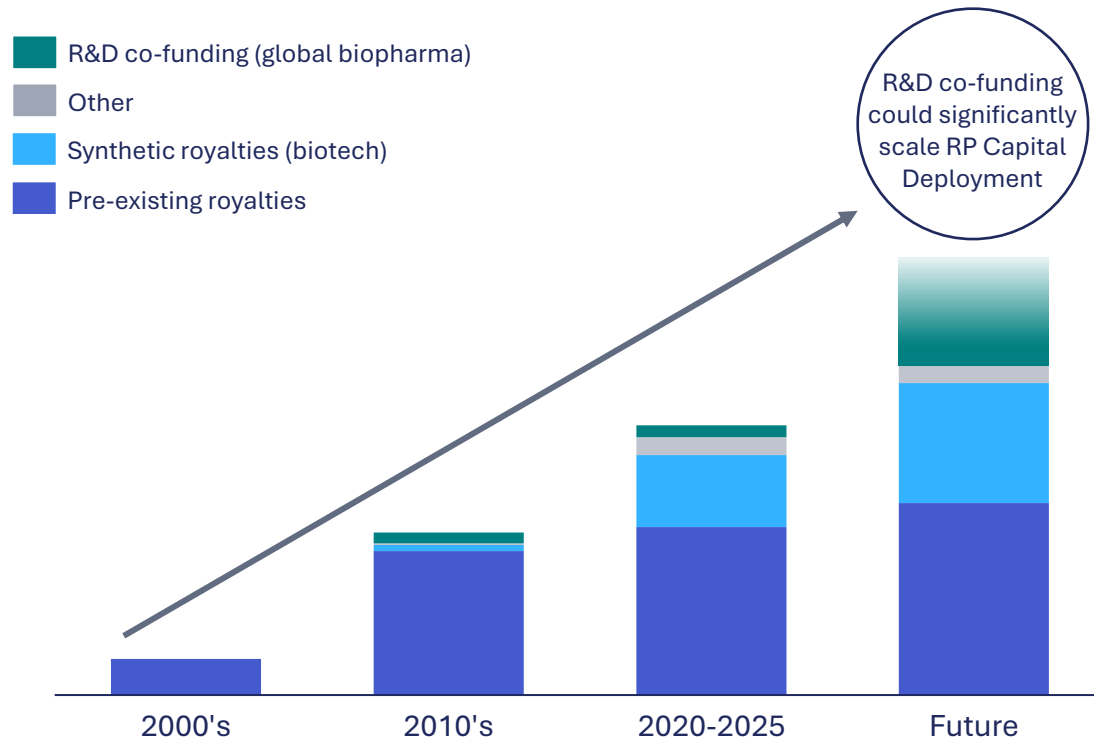
1. Global Biopharma consists of Pfizer, Merck, Bristol Myers Squibb, Lilly, Gilead, Amgen, AbbVie, Johnson & Johnson, Biogen, Regeneron, Alnylam, Vertex, Moderna, Teva, Novo Nordisk, AstraZeneca, GSK, Sanofi, Novartis, Roche, Takeda and Bayer.

2. Reflects global biopharma utilizing R&D co-funding over the 2012-2020 period.

3. Reflects global biopharma utilizing R&D co-funding over the 2012-today period.

# Opportunity to scale business by partnering with global biopharma

## Royalty Pharma's Capital Deployment mix (Illustrative)



## Funding modality growth outlook

### R&D co-funding (global biopharma)

Significant RP growth opportunity as market is large and underpenetrated; potential upside to Capital Deployment targets

### Synthetic royalties (biotech)

Expect continued strong growth as successful biotechs increasingly use royalties as part of a diversified capital structure

### Pre-existing royalties

Stable business of existing royalties with potential for long-term upside as RP establishes royalty market in China

# Recent R&D co-funding deals highlight breadth and scale of opportunity

Select Royalty Pharma R&D co-funding agreements, 2022-present<sup>(1)</sup>

					
<b>Announcement</b>	2026	2026	2025	2023	2022
<b>Transaction size</b>	\$500m <sup>(2)</sup>	Up to \$500m <sup>(3)</sup>	Up to \$250m <sup>(4)</sup>	Up to \$125m <sup>(5)</sup>	Up to \$425m <sup>(6)</sup>
<b>Therapy</b>	JNJ-4804	TEV-'408	litifilimab	TEV-'749	MK-8189
<b>Indication</b>	Autoimmune diseases	Vitiligo	Lupus	Schizophrenia	Schizophrenia
<b>Co-funding</b>	Phase 3	Phase 2b (+ Phase 3 option)	Phase 3	Phase 3 <sup>(5)</sup>	Phase 2b (+ Phase 3 option)

R&D: research and development

1. In addition, Royalty Pharma announced an R&D co-funding agreement with Cytokinetics for CK-586 in 2024 for up to \$200 million.

2. Royalty Pharma to provide \$500 million of funding over two years.

3. Royalty Pharma to provide up to \$75 million to fund a Phase 2b study in 2026 with option for up to an additional \$425 million to co-fund the Phase 3 development program.

4. Royalty Pharma to provide R&D funding of \$250 million over six quarters to support Phase 3 development.

5. Royalty Pharma provided \$100 million of funding for the Phase 3 development costs. The Phase 3 trial for TEV-'749 read-out was positive and the U.S. Food and Drug Administration accepted Teva's new drug application in the first quarter of 2026.

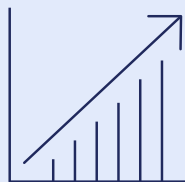
6. Royalty Pharma provided \$50 million to support Phase 2b development with the option to provide up to an additional \$375 million to co-fund the pivotal clinical development program. Following the Phase 2b, Royalty Pharma will not be making any further investment.

# Royalty Pharma is well positioned to scale R&D co-funding

## Competitive price



## Scale and focus



## Brand reputation



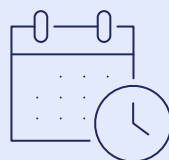
## Partnership mentality



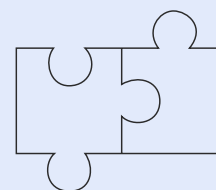
## Deep relationships



## Long-term horizon



## Flexibility on structuring



## Responsiveness



# Portfolio Update

Marshall Urist, MD, PhD

Executive Vice President  
Head of Research & Investments

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# Royalty funding agreement: Ziihera for HER2+ gastric & biliary tract cancer

## Acquired portion of Zymeworks' royalties on Jazz and BeOne's Ziihera

### Transaction terms

\$250m upfront for low- to mid-single digit royalty<sup>(1)</sup>; royalties cease at 1.65x multiple if achieved by end of 2033, or 1.925x thereafter

### Addressing high unmet need

FDA accelerated approval for mBTC in November 2024; gastric cancer FDA submission in Q2 2026<sup>(2)</sup> where 5-year survival rate is <10%<sup>(3)</sup>

### Positioned to become standard of care

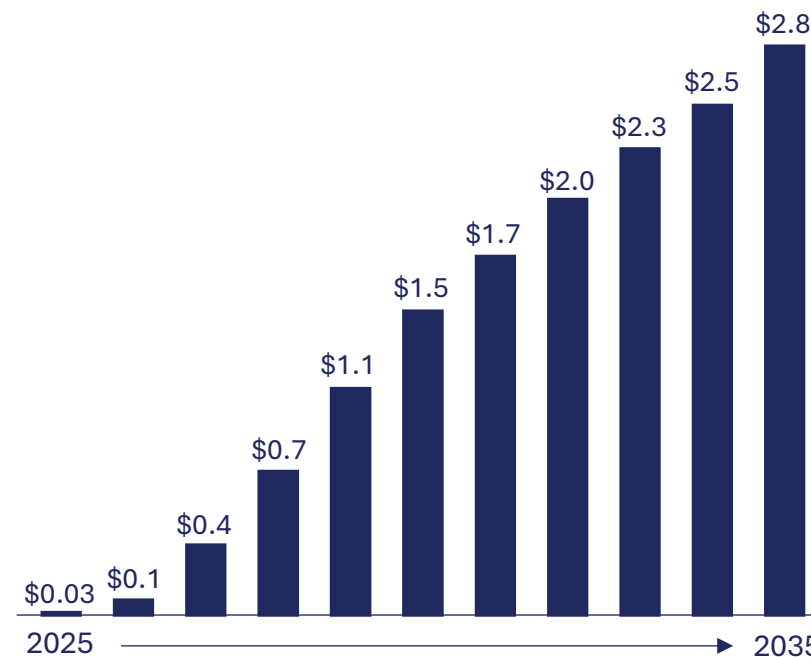
Improved overall survival by 5-7 months at first interim analysis<sup>(3)</sup> in newly diagnosed gastric cancer with manageable safety

### Attractive returns

Transaction expected to deliver unlevered IRR in the low double digits

## Ziihera reported and consensus sales<sup>(4)</sup>

(Non risk-adjusted; \$ in billions)



HER2+: human epidermal growth factor receptor 2 positive; mBTC: metastatic biliary tract cancer; IRR: internal rate of return; FDA: Food and Drug Administration

1. Royalty Pharma is providing \$250 million to Zymeworks under a non-recourse royalty-backed note with repayments due from 30% of worldwide tiered royalties on Ziihera until fully repaid.

2. Jazz press release, April 27, 2026.

3. Jazz presentation (Zanidatamab: Pivotal Phase 3 HERIZON-GEA-01 Trial Results in Gastroesophageal Adenocarcinoma (GEA)), January 9, 2026.

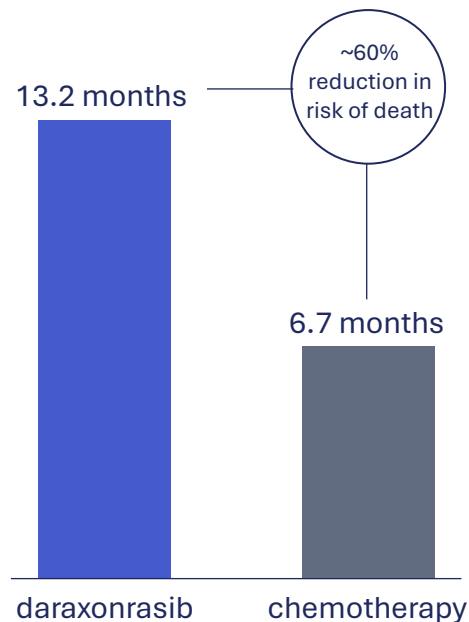
4. Visible Alpha consensus sales for Jazz Pharmaceuticals and BeOne Medicines as of April 29, 2026.

# Revolution Medicines update: daraxonrasib Phase 3 results

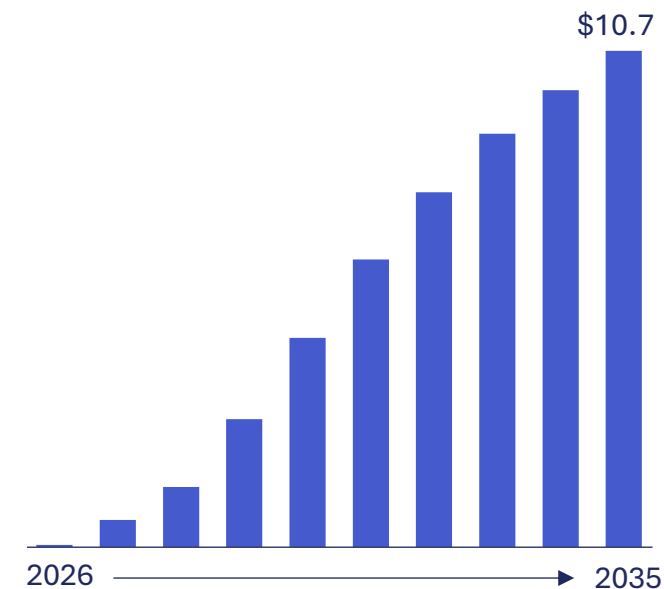
## Positive Phase 3 RASolute trial results<sup>(1)</sup>

- Interim analysis met all primary and key secondary endpoints in previously treated metastatic PDAC patients
- Progression-free survival and overall survival endpoints considered final
- daraxonrasib generally well tolerated, with manageable safety / no new signals
- Revolution Medicines intends to submit these data to global regulatory agencies, including FDA under a CNPV

## Unprecedented daraxonrasib OS benefit<sup>(1)</sup> (Phase 3 RASolute 302 trial – overall population)



## daraxonrasib consensus sales<sup>(2)</sup> (Non-risk adjusted; \$ in billions)



PDAC: pancreatic ductal adenocarcinoma; FDA: Food and Drug Administration; CNPV: Commissioner’s National Priority Voucher; OS: overall survival

1. Revolution Medicines press release, April 13, 2026.

2. Visible Alpha unadjusted consensus sales as of April 21, 2026.

# Positive developments across royalty portfolio in 2026

## Key clinical events in 2026

Therapy	Indication	Event	
obexelimab	IgG4-RD	Phase 3 results <sup>(1)</sup>	✓
litifilimab	CLE	Phase 2 results <sup>(2)</sup>	✓
daraxonrasib	2L metastatic PDAC	Phase 3 results <sup>(3)</sup>	✓
Myqorzo	nHCM	Phase 3 results <sup>(4)</sup>	✓
pelacarsen	cardiovascular disease	Phase 3 results <sup>(5)</sup>	
deucrictibant	HAE prophylaxis	Phase 3 results <sup>(6)</sup>	
Trodely	1L mNSCLC	Phase 3 results <sup>(7)</sup>	
litifilimab	SLE	Phase 3 results <sup>(8)</sup>	

## Key regulatory events in 2026

Therapy	Indication	Event	
Avlayah	Hunter syndrome	FDA approval <sup>(9)</sup>	✓
neladalkib	ALK+ NSCLC	FDA filing <sup>(10)</sup>	✓
zidesamtinib	ROS1+ NSCLC	FDA approval <sup>(11)</sup>	
TEV-'749	schizophrenia	FDA approval <sup>(12)</sup>	
Trodely	1L mTNBC	FDA approval <sup>(7)</sup>	
daraxonrasib	2L metastatic PDAC	FDA filing <sup>(3)</sup>	
ecopipam	Tourette's syndrome	FDA filing <sup>(13)</sup>	
obexelimab	IgG4-RD	FDA filing <sup>(1)</sup>	
deucrictibant	HAE attacks	FDA filing <sup>(6)</sup>	

1L: first-line; 2L: second-line; IgG4-RD: Immunoglobulin G4-related disease; CLE: cutaneous lupus erythematosus; PDAC: pancreatic ductal adenocarcinoma; nHCM: non-obstructive hypertrophic cardiomyopathy; HAE: hereditary angioedema; mNSCLC: metastatic non-small cell lung cancer; SLE: systemic lupus erythematosus; ALK+: anaplastic lymphoma kinase positive; NSCLC: non-small cell lung cancer; ROS1+: ROS proto-oncogene 1 positive; mTNBC: metastatic triple negative breast cancer; FDA: U.S. Food and Drug Administration

1. Zenas BioPharma press release, January 5, 2026. 2. Biogen press release, March 28, 2026. 3. Revolution Medicines press release, April 13, 2026 and research analyst estimates which forecast a daraxonrasib filing and launch in 2026. 4. Cytokinetics press release, May 5, 2026. 5. Novartis Q1 2026 earnings presentation, April 28, 2026. 6. Pharvaris Q4 2025 earnings release, April 2, 2026. 7. Gilead Q4 2025 earnings presentation, February 10, 2026. 8. Biogen Q1 2026 earnings presentation, April 29, 2026. 9. Denali press release, March 25, 2026. 10. Nuvalent press release, April 7, 2026. 11. Nuvalent press release, January 12, 2026; Prescription Drug User Fee Act (PDUFA) target action date of September 18, 2026. 12. Teva earnings presentation, April 29, 2026. 13. Teva press release, April 29, 2026.

# Multiple pivotal readouts during 2026-2027

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

2026 events

**daraxonrasib**

2L PDAC  
Phase 3 results (April 2026)


~\$180-\$340m peak royalties  
(all indications)<sup>(3)</sup>

**Myqorzo**

nHCM  
Phase 3 results (May 2026)


~\$230m peak royalties  
(all indications)<sup>(3)</sup>



**pelacarsen**

Cardiovascular disease  
Phase 3 results (2026)<sup>(1)</sup>

>\$150m peak royalties<sup>(3)</sup>



**litifilimab**

Lupus (SLE)  
Phase 3 results (2026)<sup>(1)</sup>

~\$125m peak royalties  
(all indications)<sup>(3)</sup>


2027 events



**daraxonrasib**

2L NSCLC  
Phase 3 results (2027)<sup>(2)</sup>


~\$180m-\$340m peak royalties  
(all indications)<sup>(3)</sup>



**litifilimab**

Lupus (CLE)  
Phase 3 results (2027)<sup>(1)</sup>

~\$125m peak royalties  
(all indications)<sup>(3)</sup>



**frexalimab**

Multiple sclerosis  
Phase 3 results (2027)<sup>(1)</sup>

>\$400m peak royalties  
(all indications)<sup>(3)</sup>



**seltorexant**

Major depressive disorder  
Phase 3 results (2027)<sup>(2)</sup>

>\$150m peak royalties<sup>(3)</sup>

2L: second-line; PDAC: pancreatic ductal adenocarcinoma; nHCM: non-obstructive hypertrophic cardiomyopathy; SLE: systemic lupus erythematosus; NSCLC: non-small cell lung cancer; CLE: cutaneous lupus erythematosus;  
1. Phase 3 results timing for pelacarsen, litifilimab (SLE, CLE) and frexalimab are based on marketer guidance. 2. Phase 3 results timing for 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 litifilimab, Myqorzo and daraxonrasib are based on peak sales from analyst research estimates. For daraxonrasib, lower end of peak royalties assume the required Revolution Medicines draw (Tranches 1 and 2); upper end peak royalties assume maximum draw scenarios (Tranches 1 through 5).

# Financial Results

Terrance Coyne

Executive Vice President  
Chief Financial Officer

**ROYALTY PHARMA**



# Efficient model generates substantial cash flow to reinvest

in millions	Q1 2026	% Portfolio Receipts	Comments
<b>Royalty Receipts<sup>(1)</sup></b>	<b>\$887</b> +13% YoY		Recurring cash inflows of our royalty portfolio
Milestones & other contractual receipts <sup>(1)</sup>	<b>\$38</b> (25%) YoY		More variable cash receipts
<b>Portfolio Receipts</b>	<b>\$925</b> +10% YoY		Substantially all cash inflows of the business
Payments for operating and professional costs	<b>(\$36)</b>	3.9%	Reflects cash savings from internalization of manager
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$889</b>	<b>96.1%</b>	
Interest paid, net	<b>(\$167)</b>		
<b>Portfolio Cash Flow (non-GAAP)</b>	<b>\$722</b>	<b>78.0%</b>	Measure of cash that can be redeployed into new royalties, to pay debt, or returned to shareholders
Capital Deployment	<b>(\$528)</b>		Reflects cash payments during the period for new and previously announced transactions
Share count <sup>(2)</sup>	<b>557</b>		Reduced by 21m from ~578m in Q1 2025

YoY: year over year

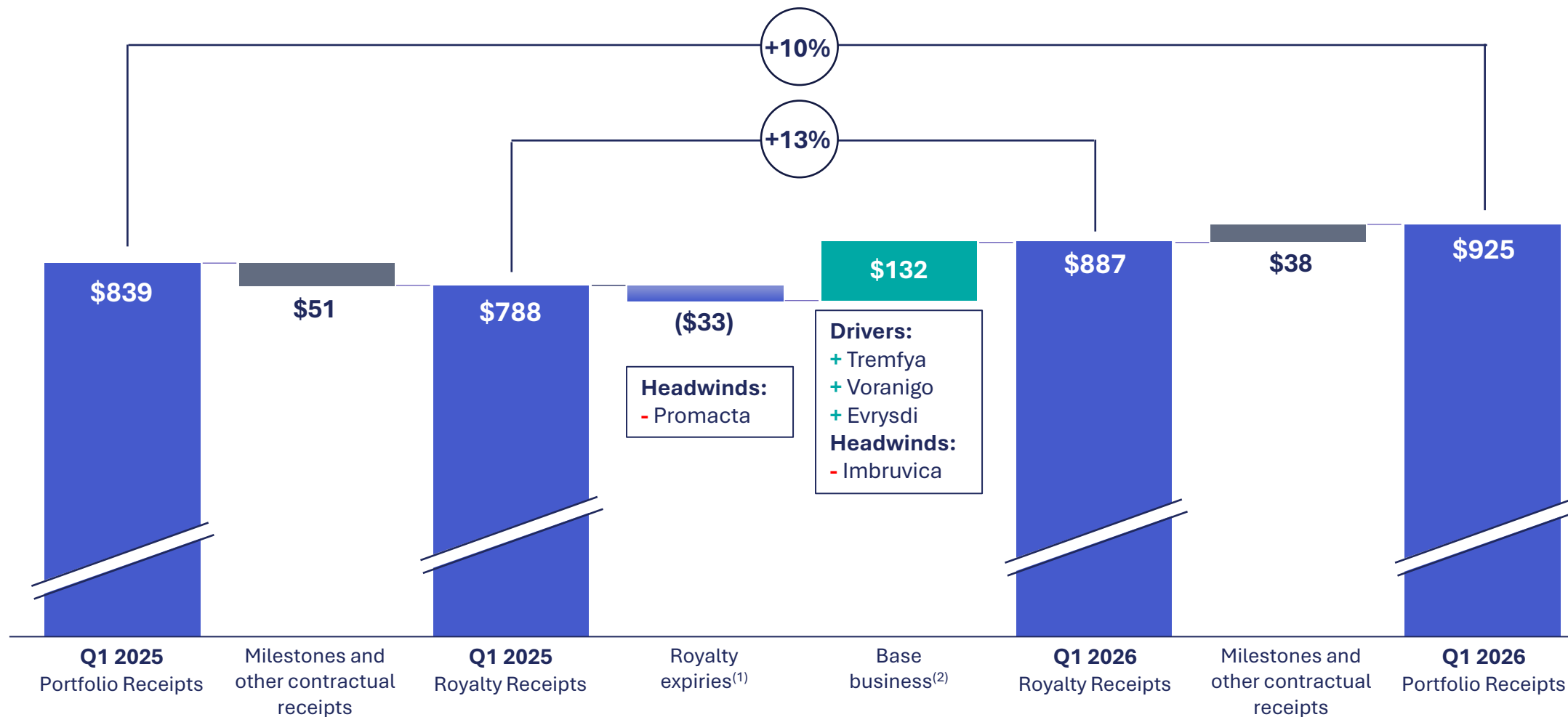
Amounts may not add due to rounding.

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

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

# Portfolio Receipts growth reflects strength of portfolio

Q1 2026 Portfolio Receipts growth (\$ in millions)



Amounts may not add due to rounding.

1. Primarily includes Promacta, Soliqua and DPP-IVs.

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

# Portfolio continues to generate attractive returns

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

	2019-2025 (Average)	Q1 2026 LTM	Comments
<b>Return on Invested Capital<sup>(1)</sup></b>	<b>14.9%</b>	<b>14.1%</b>	<ul style="list-style-type: none"> <li>• ROIC and ROIE in 2025 benefited from the sale of the MorphoSys Development Funding Bonds</li> <li>• Reflects cash generated by the business relative to active capital invested</li> </ul>
<b>Return on Invested Equity<sup>(2)</sup></b>	<b>21.5%</b>	<b>19.7%</b>	<ul style="list-style-type: none"> <li>• Aggregate business measures that complement individual deal returns</li> <li>• Remarkably stable returns: estimated standard deviation of +/- 1.2% (ROIC) and +/- 1.8% (ROIE)</li> </ul>

LTM: last twelve months

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 37 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 37 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

\$586m as of March 31, 2026

### Investment grade debt

Fitch upgraded to BBB (from BBB-); \$9.2bn with weighted average duration of ~12 years; total leverage of 2.9x<sup>(1)</sup>, net leverage of 2.7x<sup>(2)</sup>

### Financial capacity

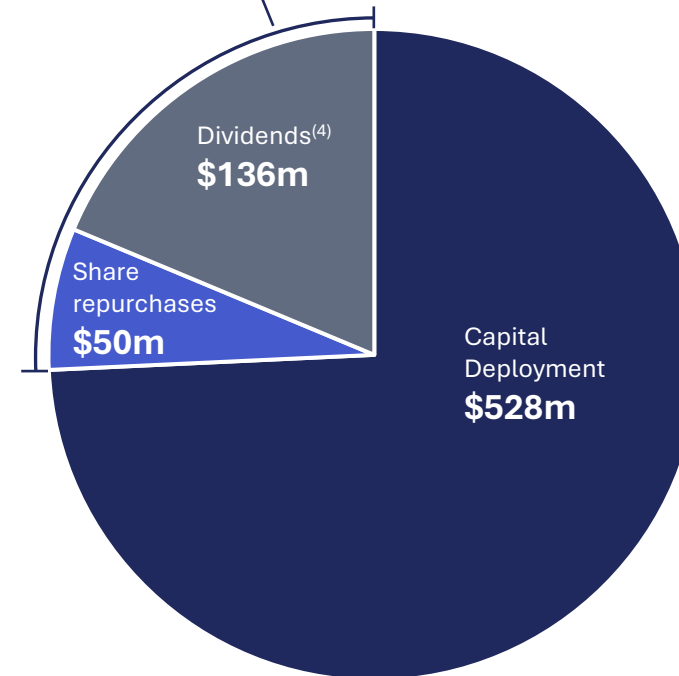
~\$4.0bn of financial flexibility<sup>(3)</sup>; \$1.8bn revolving credit facility

### Return of capital

Repurchased \$50m of shares, 7% dividend increase in Q1 2026

## Balanced capital allocation (Q1 2026)

Return of capital: ~\$186m



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<sup>(1,2)</sup>

	February 11, 2026	May 6, 2026	Comments
<b>Portfolio Receipts</b> excluding transactions announced subsequent to May 6, 2026 <sup>(1,2)</sup>	<b>\$3,275m - \$3,425m</b> (Royalty Receipts expected growth of 3%-8% yr/yr)	<b>\$3,325m - \$3,450m</b> (Royalty Receipts expected growth of 4%-8% yr/yr)	<ul style="list-style-type: none"> <li>• Strong portfolio performance</li> <li>• Milestones and other contractual receipts expected to decrease from \$128m in 2025 to ~\$60m in 2026</li> <li>• Reflects loss of exclusivity for Promacta, launch of biosimilar Tysabri in the United States and range of scenarios for IRA impact</li> </ul>
<b>Operating &amp; professional costs</b>	<b>~5.5% - 6.5%</b> of Portfolio Receipts	<b>~5.5% - 6.5%</b> of Portfolio Receipts	<ul style="list-style-type: none"> <li>• Reflects cost savings from the internalization</li> </ul>
<b>Interest paid</b>	<b>\$350m - \$360m</b>	<b>\$350m - \$360m</b>	<ul style="list-style-type: none"> <li>• Assumes no issuance of additional debt</li> <li>• Interest paid of ~\$175m in Q3 2026, with <i>de minimis</i> interest paid expected in Q2 and Q4 2026</li> <li>• Excludes interest received (\$6m in Q1 2026)</li> </ul>

IRA: Inflation Reduction Act

1. See slide 27 for definitions and for additional information regarding Royalty Pharma's 2026 full-year financial guidance. 2. This guidance is as of May 6, 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.

# Conclusion

Pablo Legorreta

Chief Executive Officer, Chairman of the Board

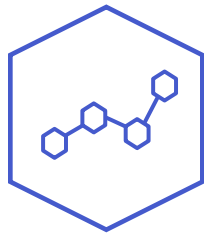
**ROYALTY PHARMA**



# Powerful business positioned to drive strong value creation

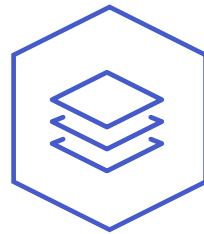
## ROYALTY PHARMA

Leader in biopharma royalty funding



### Expanding market

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



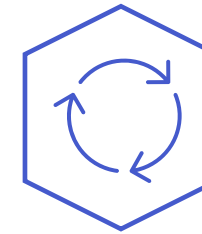
### Unique platform

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



### Robust growth

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



### Attractive returns

Consistent unlevered mid-teens IRR and Return on Invested Capital (ROIC), ~20%+ Return on Invested Equity (ROIE)

IRR: internal rate of return

See slide 27 for definitions and factors that may impact the achievement of our growth outlook.

Top-line refers to Royalty Pharma's Portfolio Receipts and bottom-line refers to Portfolio Cash Flow.

# 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 12.1% for ROIC, based on the 2019 to 2025 average and Q1 2026 LTM, 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 18.7% for ROIE, based on the 2019 to 2025 average and Q1 2026 LTM, 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

<b>obexelimab</b> ☑ Phase 3 results <sup>(1)</sup> (IgG4-RD)	<b>daraxonrasib</b> ☑ Phase 3 results <sup>(2)</sup> (2L metastatic PDAC)	<b>litifilimab</b> ☑ Phase 2 results <sup>(3)</sup> (CLE)
<b>Myqorzo</b> ☑ Phase 3 results <sup>(4)</sup> (nHCM)	<b>ampreloxetine</b> ☒ Phase 3 results <sup>(5)</sup> (nOH due to MSA)	<b>pelacarsen</b> Phase 3 results <sup>(6)</sup> (cardiovascular disease)
<b>deucricitbant (XR)</b> Phase 3 results <sup>(7)</sup> (HAE attacks prophylaxis)	<b>Trodelyv</b> Phase 3 results <sup>(8)</sup> (1L mNSCLC)	<b>Cobenfy</b> Phase 3 results <sup>(9)</sup> (ADP)
<b>litifilimab</b> Phase 3 results <sup>(10)</sup> (SLE)	<b>obexelimab</b> Phase 2 results <sup>(1)</sup> (SLE)	<b>Niktimvo</b> Phase 2 results <sup>(11)</sup> (IPF)

### 2027

<b>frexalimab</b> Phase 3 results <sup>(12)</sup> (multiple sclerosis)	<b>seltorexant</b> Phase 3 results <sup>(13)</sup> (MDD)	<b>litifilimab</b> Phase 3 results <sup>(10)</sup> (CLE)
<b>daraxonrasib</b> Phase 3 results <sup>(13)</sup> (2L NSCLC)	<b>Imdeltra</b> Phase 3 results <sup>(13)</sup> (1L SCLC)	

## Regulatory

### 2026

<b>Avlayah</b> ☑ FDA approval <sup>(14)</sup> (Hunter syndrome)	<b>neladalkib</b> ☑ FDA filing <sup>(15)</sup> (ALK+ NSCLC)	<b>daraxonrasib</b> FDA filing <sup>(2)</sup> (2L metastatic PDAC)
<b>TEV-749</b> FDA approval <sup>(16)</sup> (schizophrenia)	<b>zidesamtinib</b> FDA approval <sup>(15)</sup> (ROS1+ NSCLC)	<b>Trodelyv</b> FDA approval <sup>(17)</sup> (1L mTNBC)
<b>deucricitbant (IR)</b> FDA filing <sup>(7)</sup> (HAE attacks)	<b>obexelimab</b> FDA filing <sup>(1)</sup> (IgG4-RD)	<b>pelabresib</b> EMA filing <sup>(6)</sup> (myelofibrosis)
<b>ecopipam</b> FDA filing <sup>(18)</sup> (Tourette's syndrome)		

### 2027

<b>deucricitbant (IR)</b> FDA approval (HAE attacks)	<b>pelacarsen</b> FDA approval (cardiovascular disease)	<b>litifilimab</b> FDA filing (SLE, CLE)
<b>obexelimab</b> FDA approval (IgG4-RD)	<b>pelabresib</b> EMA approval (myelofibrosis)	<b>neladalkib</b> 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; HAE: hereditary angioedema; PDAC: pancreatic ductal adenocarcinoma; CLE: cutaneous lupus erythematosus; nOH: neurogenic orthostatic hypotension; MSA: multiple system atrophy; nHCM: non-obstructive hypertrophic cardiomyopathy; mNSCLC: metastatic non small cell lung cancer; ADP: Alzheimer's Disease Psychosis; SLE: systemic lupus erythematosus; IPF: idiopathic pulmonary fibrosis; ALK+: anaplastic lymphoma kinase-positive; MDD: major depressive disorder; SCLC: small cell lung cancer; NSCLC: non small cell lung cancer; ROS1: ROS proto-oncogene 1; mTNBC: metastatic triple negative breast cancer; FDA: Food and Drug Administration; EMA: European Medicines Agency; XR: extended release; IR: immediate release. 1. Zenas BioPharma press release, January 5, 2026. 2. Revolution Medicines press release, April 13, 2026. Daraxonrasib filing timeline based on analyst research reports. 3. Biogen press release, March 28, 2026. 4. Cytokinetics press release, May 5, 2026. 5. Theravance press release, March 3, 2026. 6. Novartis Q1 2026 presentation, April 28, 2026. 7. Pharvaris earnings press release, April 2, 2026. 8. Gilead Q4 2025 earnings presentation, February 10, 2026. Refers to Phase 3 EVOKE-03 study. 9. Bristol Myers Squibb Q1 2026 earnings presentation, April 30, 2026. 10. Biogen Q1 2026 earnings presentation, April 29, 2026. 11. Syndax Q1 2026 earnings presentation, April 30, 2026. 12. Sanofi Q1 2026 presentation, April 23, 2026. 13. clinicaltrials.gov. 14. Denali Therapeutics press release, March 25, 2026. 15. Nuvalent press release, January 12, 2026. The FDA has assigned a PDUFA date of September 18, 2026 for zidesamtinib. 16. Teva Q1 2026 presentation, April 29, 2026. 17. Gilead Q4 2025 earnings presentation, February 10, 2026. Refers to Phase 3 ASCENT-04/KEYNOTE-D19 study and Phase 3 ASCENT-03 study. 18. Teva press release, April 29, 2026.

# Development-stage pipeline: 19 potential therapies

Initial and additional indications for development-stage therapies

	Phase 2		Phase 3			Registration
Initial indication	<b>CK-586</b> Heart failure	<b>tulmimetostat (CPI-0209)</b> Blood cancer, solid tumors	<b>omecamtiv mecarbil</b> Heart failure	<b>pelacarsen</b> CV disease (secondary prevention)	<b>olpasiran</b> CV disease (secondary prevention)	<b>TEV-749</b> Schizophrenia
	<b>TEV-408<sup>(1)</sup></b> Vitiligo	<b>JNJ-4804 co-antibody therapy</b> Autoimmune conditions	<b>daraxonrasib</b> 2L metastatic pancreatic cancer	<b>trontinemab</b> Early symptomatic AD	<b>seltorexant</b> MDD w/insomnia symptoms	<b>zidesamtinib</b> 2L+ ROS1-positive NSCLC
			<b>pelabresib</b> Myelofibrosis	<b>litifilimab</b> Systemic lupus erythematosus	<b>ecopipam</b> Tourette syndrome	<b>neladalkib<sup>(2)</sup></b> 2L+ ALK-positive NSCLC
				<b>obexelimab</b> IgG4-related disease	<b>frexalimab</b> Relapsing multiple sclerosis	
					<b>deucricitibant (IR)</b> HAE	
Additional indication	<b>obexelimab</b> Relapsing multiple sclerosis	<b>frexalimab</b> FSGS or MCD	<b>trontinemab<sup>(4)</sup></b> Preclinical AD	<b>daraxonrasib</b> 2L/3L metastatic NSCLC	<b>olpasiran</b> CV disease (primary prevention)	
	<b>obexelimab</b> Systemic lupus erythematosus	<b>frexalimab</b> Type 1 diabetes	<b>deucricitibant (XR)</b> HAE attacks prophylaxis	<b>daraxonrasib</b> 1L metastatic pancreatic cancer	<b>litifilimab</b> Cutaneous lupus erythematosus	
	<b>TEV-408</b> Celiac disease	<b>frexalimab</b> Kidney transplant rejection	<b>deucricitibant</b> AAE-C1INH	<b>daraxonrasib</b> Resectable pancreatic cancer	<b>frexalimab</b> Secondary progressive multiple sclerosis	
	<b>zidesamtinib<sup>(3)</sup></b> 1L ROS1-positive NSCLC			<b>daraxonrasib (+ pembrolizumab)</b> 1L NSCLC		
				<b>neladalkib</b> 1L ALK-positive NSCLC		

<span style="color: green;">■</span> Rare disease	<span style="color: lightblue;">■</span> Neuroscience	<span style="color: gray;">■</span> Oncology
<span style="color: blue;">■</span> Immunology	<span style="color: darkblue;">■</span> Cardio-Metabolic	

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; IgG4-RD: immunoglobulin G4-related disease; MDD: major depressive disorder; IR: immediate release; HAE: hereditary angioedema  
 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

	Phase 2		Phase 3			Registration
Additional indication	<b>Trodelvy</b> (+ combinations) 1L mUC	<b>Ziihera</b> Early breast cancer	<b>Trodelvy</b> (+ pembrolizumab) <sup>(1)</sup> 1L mNSCLC	<b>Trodelvy</b> (+ pembrolizumab) High risk adjuvant TNBC	<b>Cobenfy</b> Psychosis in Alzheimer's disease	<b>Tremfya</b> PsA Structural Damage
	<b>Trodelvy</b> Lung, HNSCC and endometrial	<b>Ziihera</b> HER2-expressing solid tumors	<b>Trodelvy</b> Extensive-stage SCLC	<b>Trodelvy</b> 2L+ mEC	<b>Cobenfy</b> Agitation in Alzheimer's disease	<b>Trodelvy</b> (+ pembrolizumab) 1L mTNBC (PD-L1+)
	<b>Niktimvo</b> (+ Jakafi) 1L cGvHD	<b>Adstiladrin</b> Low-grade UTUC	<b>Erleada</b> High risk prostate cancer <sup>(2)</sup>	<b>Adstiladrin</b> (+chemo) High risk NMIBC	<b>Cobenfy</b> Bipolar I Disorder	<b>Trodelvy</b> 1L TNBC (PD-L1-)
		<b>Niktimvo</b> Idiopathic pulmonary fibrosis	<b>Erleada</b> Localized prostate cancer <sup>(3)</sup>	<b>Adstiladrin</b> Intermediate risk NMIBC	<b>Cobenfy</b> Alzheimer's disease cognition	<b>Ziihera</b> (+ chemo, tislelizumab) 1L HER2+ mGEA
			<b>Rytelo</b> R/R myelofibrosis	<b>Niktimvo</b> (+ steroids) 1L cGvHD	<b>Cobenfy</b> Adjunctive bipolar mania	
			<b>salanersen</b> (once-yearly) Spinal Muscular Atrophy	<b>Ziihera</b> (+ chemo) 1L HER2+ BTC	<b>Imdelltra</b> 1L Limited-Stage SCLC	
			<b>Skytrofa</b> Growth hormone indications <sup>(4)</sup>	<b>Ziihera</b> (+ chemo) <sup>(5)</sup> HER2+ metastatic breast cancer	<b>Imdelltra</b> (+ Imfinzi) 1L Induction ES SCLC	
				<b>Myqorzo</b> nHCM	<b>Imdelltra</b> (+ Imfinzi) 1L Maintenance ES SCLC	
					<b>Imdelltra</b> 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; 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; mGEA: metastatic gastroesophageal adenocarcinoma; BTC: biliary tract cancer.

1. EVOKE-03. 2. High risk localized advanced prostate cancer prior to radical prostatectomy. 3. High risk localized advanced prostate cancer receiving primary radiation therapy. 4. Ascendis has initiated a basket trial 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). 5. In post-trastuzumab deruxtecan settings.

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

## Deal structure drives attractive risk/reward

### Transaction terms

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

### TEV-‘408: potential BIC anti-IL-15 mAB for autoimmune diseases<sup>(2)</sup>

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

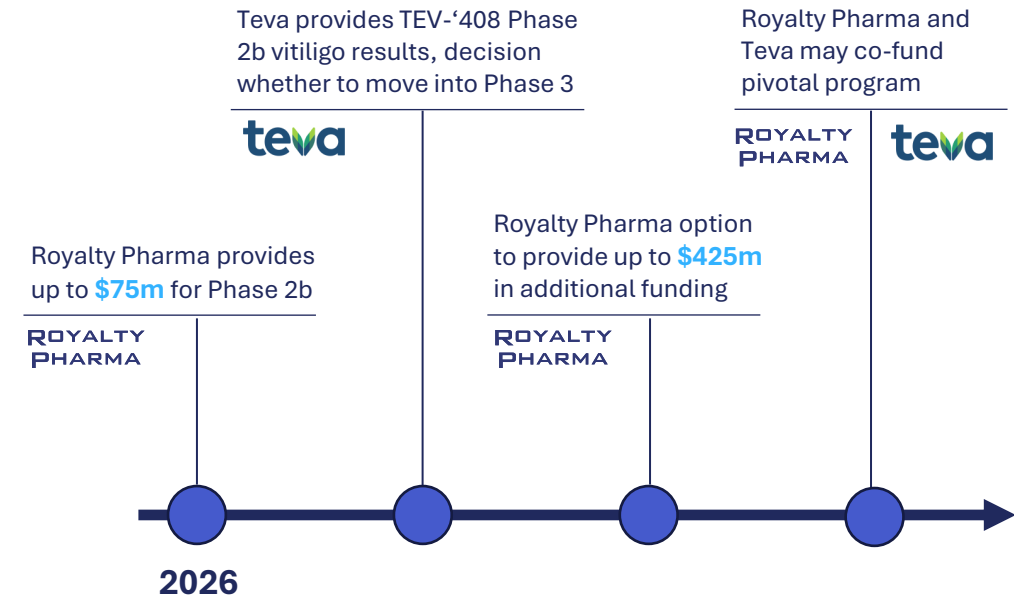
### High unmet patient need in lead indication vitiligo

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

### 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<sup>(4)</sup> and >1m patients diagnosed<sup>(5)</sup>

## RP option to scale investment following Phase 2b results



RP: 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.

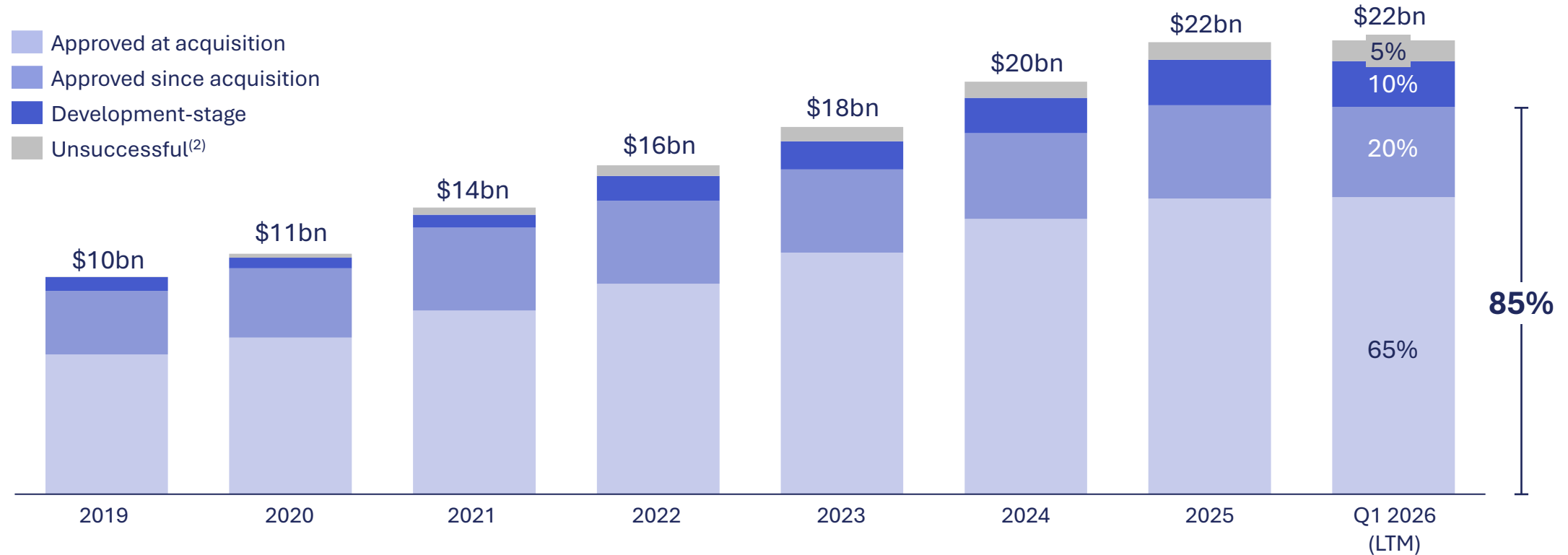
4. Gandhi et al. JAMA Dermatol 2021.

5. Royalty Pharma claims analysis.

# 85% 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<sup>(1)</sup>



Amounts may not add due to rounding.

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

2. Unsuccessful totals include unsuccessful development-stage investments and products that were Approved at acquisition or Approved since acquisition that are no longer expected to generate royalty receipts.

# GAAP to non-GAAP reconciliation

## Adjusted EBITDA and ROIC Adjusted EBITDA

\$ in millions	2019 (PF) <sup>(1)</sup>	2020	2021	2022 (PF) <sup>(2)</sup>	2023 (PF) <sup>(2)</sup>	2024	2025	Q1 2026 LTM
<b>Net cash provided by operating activities (GAAP)</b>	<b>\$1,742</b>	<b>\$2,035</b>	<b>\$2,018</b>	<b>\$2,144</b>	<b>\$2,988</b>	<b>\$2,769</b>	<b>\$2,490</b>	<b>\$2,612</b>
<i>Adjustments:</i>								
Proceeds from available for sale debt securities	\$150	\$3	\$63	\$542	\$1	\$20	\$21	\$13
Distributions from equity method investees	-	\$15	\$1	-	\$44	\$24	\$105	\$111
Interest paid, net	\$206	\$131	\$143	\$145	\$98	\$113	\$242	\$282
Derivative collateral received, net	-	(\$45)	-	-	-	-	-	-
Development-stage funding payments	\$83	\$26	\$200	\$177	\$52	\$2	\$452	\$427
Payments for Employee EPAs	-	-	-	-	-	-	\$11	\$21
Distributions to legacy NCI - Portfolio Receipts	(\$525)	(\$544)	(\$480)	(\$442)	(\$377)	(\$362)	(\$355)	(\$348)
Accelerated Receipts	-	-	-	(\$458)	(\$525)	-	-	-
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$1,656</b>	<b>\$1,621</b>	<b>\$1,944</b>	<b>\$2,109</b>	<b>\$2,281</b>	<b>\$2,565</b>	<b>\$2,996</b>	<b>\$3,118</b>
Accelerated Receipts	-	-	-	\$458	\$525	-	\$511	-
Equity performance awards <sup>(3)</sup>	(\$153)	-	-	-	-	-	(\$81)	(\$73)
<b>ROIC Adjusted EBITDA (non-GAAP)</b>	<b>\$1,503</b>	<b>\$1,621</b>	<b>\$1,944</b>	<b>\$2,566</b>	<b>\$2,806</b>	<b>\$2,565</b>	<b>\$3,396</b>	<b>\$3,045</b>

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

# GAAP to non-GAAP reconciliation

## Portfolio Cash Flow and ROIE Portfolio Cash Flow

\$ in millions	2019 (PF) <sup>(1)</sup>	2020	2021	2022 (PF) <sup>(2)</sup>	2023 (PF) <sup>(2)</sup>	2024	2025	Q1 2026 LTM
<b>Net cash provided by operating activities (GAAP)</b>	<b>\$1,742</b>	<b>\$2,035</b>	<b>\$2,018</b>	<b>\$2,144</b>	<b>\$2,988</b>	<b>\$2,769</b>	<b>\$2,490</b>	<b>\$2,612</b>
<i>Adjustments:</i>								
Proceeds from available for sale debt securities	\$150	\$3	\$63	\$542	\$1	\$20	\$21	\$13
Distributions from equity method investees	-	\$15	\$1	-	\$44	\$24	\$105	\$111
Interest paid, net	\$206	\$131	\$143	\$145	\$98	\$113	\$242	\$282
Derivative collateral received, net	-	(\$45)	-	-	-	-	-	-
Development-stage funding payments	\$83	\$26	\$200	\$177	\$52	\$2	\$452	\$427
Payments for Employee EPAs	-	-	-	-	-	-	\$11	\$21
Distributions to legacy NCI - Portfolio Receipts	(\$525)	(\$544)	(\$480)	(\$442)	(\$377)	(\$362)	(\$355)	(\$348)
Accelerated Receipts	-	-	-	(\$458)	(\$525)	-	-	-
<b>Adjusted EBITDA (non-GAAP)</b>	<b>\$1,656</b>	<b>\$1,621</b>	<b>\$1,944</b>	<b>\$2,109</b>	<b>\$2,281</b>	<b>\$2,565</b>	<b>\$2,996</b>	<b>\$3,118</b>
Interest paid, net	(\$206)	(\$131)	(\$143)	(\$145)	(\$98)	(\$113)	(\$242)	(\$282)
<b>Portfolio Cash Flow (non-GAAP)</b>	<b>\$1,450</b>	<b>\$1,490</b>	<b>\$1,801</b>	<b>\$1,964</b>	<b>\$2,183</b>	<b>\$2,452</b>	<b>\$2,724</b>	<b>\$2,836</b>
Accelerated Receipts	-	-	-	\$458	\$525	-	\$511	-
Equity performance awards <sup>(3)</sup>	(\$153)	-	-	-	-	-	(\$81)	(\$73)
<b>ROIE Portfolio Cash Flow (non-GAAP)</b>	<b>\$1,297</b>	<b>\$1,490</b>	<b>\$1,801</b>	<b>\$2,421</b>	<b>\$2,708</b>	<b>\$2,452</b>	<b>\$3,154</b>	<b>\$2,762</b>

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

## Capital Deployment summary

\$ in millions	2019 (PF) <sup>(1)</sup>	2020	2021	2022	2023	2024	2025	Q1 2026
Acquisitions of financial royalty assets	(\$1,721)	(\$2,182)	(\$2,192)	(\$1,742)	(\$2,116)	(\$2,506)	(\$1,698)	(\$452)
Development-stage funding payments	(\$83)	(\$26)	(\$200)	(\$177)	(\$52)	(\$2)	(\$452)	(\$26)
Purchases of available for sale debt securities	(\$125)	-	(\$70)	(\$480)	-	(\$150)	(\$175)	-
Milestone payments	(\$250)	-	(\$19)	-	(\$12)	(\$75)	(\$271)	(\$50)
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	-
<b>Capital Deployment</b>	<b>(\$2,187)</b>	<b>(\$2,240)</b>	<b>(\$2,508)</b>	<b>(\$2,428)</b>	<b>(\$2,192)</b>	<b>(\$2,761)</b>	<b>(\$2,596)</b>	<b>(\$528)</b>

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

## Invested Capital at Work and Invested Equity at Work summary

\$ in millions	2019 (PF)	2020	2021	2022	2023	2024	2025	Q1 2026 LTM
<b>Beginning Invested Capital at Work</b>	<b>\$10,312</b>	<b>\$10,424</b>	<b>\$12,504</b>	<b>\$14,837</b>	<b>\$16,535</b>	<b>\$18,496</b>	<b>\$20,848</b>	<b>\$20,633</b>
Capital Deployment <sup>(1)</sup>	\$1,818	\$2,240	\$2,508	\$2,428	\$2,192	\$2,761	\$2,596	\$3,022
Expiries <sup>(2)</sup>	(\$1,707)	(\$159)	(\$176)	(\$730)	(\$231)	(\$409)	(\$1,172)	(\$990)
<b>Ending Invested Capital at Work</b>	<b>\$10,424</b>	<b>\$12,504</b>	<b>\$14,837</b>	<b>\$16,535</b>	<b>\$18,496</b>	<b>\$20,848</b>	<b>\$22,272</b>	<b>\$22,666</b>
Net debt <sup>(3)</sup>	(\$4,890)	(\$4,008)	(\$5,177)	(\$5,565)	(\$5,823)	(\$6,871)	(\$8,561)	(\$8,594)
<b>Ending Invested Equity at Work</b>	<b>\$5,534</b>	<b>\$8,496</b>	<b>\$9,660</b>	<b>\$10,970</b>	<b>\$12,673</b>	<b>\$13,977</b>	<b>\$13,710</b>	<b>\$14,072</b>
<b>Average Invested Capital at Work</b>	<b>\$10,368</b>	<b>\$11,464</b>	<b>\$13,671</b>	<b>\$15,686</b>	<b>\$17,516</b>	<b>\$19,672</b>	<b>\$21,560</b>	<b>\$21,650</b>
<b>Average Invested Equity at Work</b>	<b>\$6,010</b>	<b>\$7,015</b>	<b>\$9,078</b>	<b>\$10,315</b>	<b>\$11,822</b>	<b>\$13,325</b>	<b>\$13,844</b>	<b>\$13,997</b>

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