

A satellite view of Houston, Texas, and the Gulf Coast, showing the city's layout and the surrounding landscape. The image is in grayscale, with a dark brown overlay at the top and bottom. The text 'Capital Royalty' is positioned in the top left corner, and 'INVESTING IN INNOVATION' is centered in a dark brown bar. A list of office locations is in the bottom left, and a caption is in the bottom right.

Capital
Royalty

A leading investment firm focused on royalties of commercialized biopharmaceutical products and medical technologies.

INVESTING IN INNOVATION

· HOUSTON ·
· BOULDER ·
· NEW YORK ·

SATELLITE VIEW OF HOUSTON, TX AND THE GULF COAST

The logo for Capital Royalty, featuring the words "Capital" and "Royalty" stacked vertically in a white serif font. The "R" in "Royalty" is stylized with a large, decorative flourish that extends downwards and to the left. The logo is set against a dark brown, textured background that resembles an electron micrograph.

Capital
Royalty

ABOUT US

ELECTRON MICROGRAPH SHOWING IMMATURE RED BLOOD CELLS ACTIVE IN HEMOGLOBIN SYNTHESIS

Capital Royalty L.P. is a market pioneer and innovator in healthcare investing that focuses on intellectual property investments in FDA-approved biopharmaceutical assets through royalty bonds and other royalty monetization structures. We target investments between \$25 and \$200 million and work directly with leading healthcare companies, research institutions, and inventors to provide customized royalty monetization structures to meet their unique needs.

Our royalty monetizations are an attractive alternative to costly equity financings and restrictive debt financings. We help healthcare organizations fund pipeline development, make acquisitions, and expand into new markets—all with an adaptable source of capital.

In addition to the outright purchase of royalty entitlements, Capital Royalty strives to help royalty owners borrow against their royalty streams rather than forego all future revenue streams. This differentiated approach involves structuring royalty monetizations as royalty bonds or bond-like structures. Royalty bonds were first developed by Capital Royalty team members and we continue to develop creative financing structures that better match the needs of royalty owners with royalty investors. As the only investment team with experience in structuring both royalty bonds and traditional royalty monetizations, Capital Royalty is uniquely qualified to meet a broad range of financing needs for healthcare royalty owners.

We provide superior risk-adjusted returns to our investors by offering the most attractive financing alternatives to our business partners. Our investors include pension funds, insurance companies, family offices, university endowments, foundations, financial institutions, and other institutional investors. Our committed capital base provides us with the flexibility to move quickly to meet the capital needs of our business partners.

A horizontal band featuring a grayscale electron micrograph of a kidney cell section. The image shows intricate, fibrous structures. A dark brown horizontal bar is overlaid on the right side of the micrograph, containing the text "OUR BUSINESS".

OUR BUSINESS

ELECTRON MICROGRAPH SHOWING A SECTION THROUGH A PART OF A KIDNEY CELL

Capital Royalty provides capital in the form of royalty bonds, traditional royalty purchases, and revenue interest transactions. The value of each transaction is based on the future cash flow streams from royalties on commercialized biopharmaceutical products and medical technologies.

We invest in a broad range of healthcare market segments, including:

- * Pharmaceuticals
- * Biotechnology
- * Drug delivery technologies
- * Diagnostics
- * Medical devices

Capital Royalty targets investments between \$25 and \$200 million and may work with co-investors to execute larger transactions. We focus on transactions involving FDA-approved healthcare products that are supported by companies with solid sales and marketing infrastructures.

We leverage our industry-leading structuring experience to customize each transaction to meet the financing needs of our business partners. As leaders in structuring royalty bonds and bond-like structures that allow royalty owners to borrow against their royalty streams as opposed to selling outright, we are uniquely aligned to work with owners of high-quality healthcare intellectual property assets.

A horizontal banner image featuring an electron micrograph of rotaviruses, showing their characteristic wheel-like structure. The image is split into a dark orange section on the left and a light grey section on the right.

ROYALTY MONETIZATIONS

ELECTRON MICROGRAPH OF ROTAVIRUSES, RESPONSIBLE FOR GASTROENTERITIS

Capital Royalty provides financing to healthcare companies and institutions through royalty monetizations. We structure each transaction to meet the unique needs of our business partners.

WE OFFER THE FOLLOWING TYPES OF ROYALTY MONETIZATION STRUCTURES:

Royalty Bonds – Intellectual property assets represent significant value to their owners and creators. As a result, many of our investments are structured as royalty bonds, which provide IP owners upfront capital while allowing them to maintain a continuing interest in their royalty streams once the bond is repaid. This structure allows the licensor to retain residual ownership of the royalty once the bond is repaid. Capital Royalty is typically able to structure the bonds as non-recourse to the royalty holder.

Royalty Purchases – In a royalty purchase structure, sellers receive upfront capital in exchange for an assignment of all or a portion of their future royalty payments. The transaction is typically structured as non-recourse to the royalty holder, secured by the future cash flows of the royalty stream.

Revenue Interests – In a revenue interest structure, Capital Royalty synthetically creates a royalty interest where one does not exist. This structure entitles Capital Royalty to receive a stream of cash flows secured by both the future sales of the product and the underlying product's intellectual property.

Hybrid Transactions – Capital Royalty's hybrid monetization structure combines the elements of a royalty bond and a traditional royalty monetization. In this structure, in exchange for upfront capital, a royalty bond is issued and the company, institution, or individual also sells a portion of the residual cash flows of the royalty stream.

The logo for Capital Royalty, featuring the words "Capital" and "Royalty" stacked vertically in a white serif font. The "R" in "Royalty" is stylized with a large, ornate flourish that extends downwards and to the left. The logo is set against a dark, textured background that appears to be a satellite view of a city, with a solid orange-brown rectangle partially overlapping the top left corner.

Capital
Royalty

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