

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name XOMA CORPORATION		2 Issuer's employer identification number (EIN) 52-2154066	
3 Name of contact for additional information JULIANE SNOWDEN	4 Telephone No. of contact 1 (646)-438-9754	5 Email address of contact juliane.snowden@xoma.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2200 POWELL STREET, SUITE 310		7 City, town, or post office, state, and ZIP code of contact EMERYVILLE, CA 94608	
8 Date of action 2022 FOUR QUARTERLY CASH DISTRIBUTIONS		9 Classification and description SERIES A & SERIES B CUMULATIVE PREFERRED STOCK	
10 CUSIP number 98419J305 & 98419J404	11 Serial number(s)	12 Ticker symbol XOMAP and XOMAO	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶

THE COMPANY PAID FOUR QUARTERLY CASH DISTRIBUTIONS TO ITS XOMA SERIES A AND SERIES B CUMULATIVE SHAREHOLDERS DURING THE CALENDAR YEAR ENDED DECEMBER 31, 2022.

ON EACH OF THE FOLLOWING DATES: JANUARY 18, 2022; APRIL 15, 2022; JULY 15, 2022 & OCTOBER 17, 2022, HOLDERS OF THE 8.625% SERIES A CUMULATIVE PERPETUAL PREFERRED STOCK (NASDAQ: XOMAP) RECEIVED A CASH DIVIDEND EQUAL TO \$0.53906 PER SHARE.

FOR EACH OF THE ABOVE MENTIONED DATES IN 2022, HOLDERS OF DEPOSITARY SHARES, EACH REPRESENTING 1/1000 OF A SHARE OF XOMA'S 8.375% SERIES B CUMULATIVE PERPETUAL PREFERRED STOCK (NASDAQ: XOMAO), RECEIVED A CASH DIVIDEND EQUAL TO \$0.52344 PER DEPOSITARY SHARE.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

THE COMPANY PAID FOUR QUARTERLY CASH DISTRIBUTIONS TO ITS XOMA SERIES A AND SERIES B CUMULATIVE SHAREHOLDERS DURING THE CALENDAR YEAR ENDED DECEMBER 31, 2022. ALL OF THE DISTRIBUTIONS ARE NON-TAXABLE TO THE EXTENT OF SHAREHOLDER'S TAX BASIS IN THE SHARES AND ANY REMAINING AMOUNT BEING TAXED AS CAPITAL GAINS TO A SHAREHOLDER.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

CASH DISTRIBUTIONS MADE BY A CORPORATION ARE GENERALLY TREATED AS A TAXABLE DIVIDEND TO THE EXTENT OF CURRENT EARNINGS AND PROFITS AT THE DATE OF DISTRIBUTION, OR AT THE END OF THE TAX YEAR IN WHICH THE DISTRIBUTIONS WERE MADE UNDER INTERNAL REVENUE CODE SECTION 312. ALL THE CASH DISTRIBUTIONS MADE BY THE COMPANY IN CALENDAR YEAR 2022 TO ITS XOMA SERIES A AND SERIES B CUMULATIVE SHAREHOLDERS WERE IN EXCESS OF EARNINGS AND PROFITS AND ARE 100% NON-TAXABLE RETURN OF CAPITAL TO THE EXTENT OF THE SHAREHOLDER'S BASIS. ACCORDINGLY, THESE DISTRIBUTIONS WILL FIRST REDUCE THE BASIS TO THE EXTENT OF THE SHAREHOLDER'S BASIS IN SUCH SHARES. ONCE THE BASIS IS EXHAUSTED, THE EXCESS DISTRIBUTION WILL BE TREATED AS RETURN OF CAPITAL.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►
INTERNAL REVENUE CODE SECTIONS 312, 301(c) AND 316(a)

18 Can any resulting loss be recognized? ► **NO**

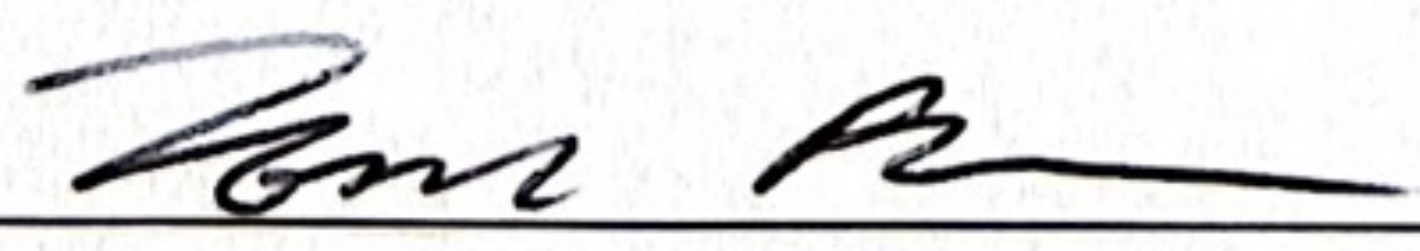
19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ►
PURSUANT TO IRC 6045, BROKERS ARE REQUIRED TO REFLECT THESE ADJUSTMENTS IN COST BASIS REPORTING FOR COVERED SECURITIES. IF A BROKER IS NOT REQUIRED TO PROVIDE COST BASIS TO A PARTICULAR SHAREHOLDER, THE COST BASIS OF THE SHAREHOLDERS'S SHARES SHOULD BE ADJUSTED AS OF THE DISTRIBUTION DATE TO REFLECT THE RETURN OF CAPITAL DESCRIBED ABOVE. THE FINAL AMOUNT IN EXCESS OF EARNINGS AND PROFITS WILL BE REPORTED TO SHAREHOLDERS ON THE FORM 1099-DIV

SHAREHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISOR TO DETERMINE THE TAX CONSEQUENCES AS IT RELATES TO THEIR INDIVIDUAL CIRCUMSTANCES.

THE REPORTABLE TAX YEAR IS 2022.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ►  Date ► 1/11/23

Print your name ► **THOMAS BURNS** Title ► **SVP, FINANCE & CFO**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	JANET TAN		1/11/23		P00288312
	Firm's name ► JANET TAN, C.P.A., INC.			Firm's EIN ►	90-0039249
	Firm's address ► 301 MAIN STREET, UNIT 11E, SAN FRANCISCO, CA 94105			Phone no.	415-908-3728