November 22, 2022

XOMA Acquires Royalty and Milestone License to Ebopiprant, a Preterm Labor Asset, Being Developed by Organon

XOMA assumes the rights to ebopiprant from ObsEva, including the Organon License, Patent Estate, and Merck KGaA, Darmstadt, Germany, license, for a $15 million outlay

Potential to earn $475 million in development, regulatory, and sales milestones

Low- to mid- teens royalties upon commercialization

Expands XOMA's portfolio into new therapeutic segment – women's health

EMERYVILLE, Calif., Nov. 22, 2022 (GLOBE NEWSWIRE) -- XOMA Corporation (NASDAQ: XOMA), a biotech royalty aggregator playing a distinctive role in helping biotech companies achieve their goal of advancing novel therapeutic candidates aimed at improving human health, announced today it has acquired all rights and title to ebopiprant held by ObsEva for $15 million plus certain earn-out payments. XOMA has assumed the ebopiprant intellectual property (IP) estate and all license agreements, including the 2021 exclusive license agreement from ObsEva to Organon related to the development and commercialization of ebopiprant.

"We are very pleased to add ebopiprant to XOMA's royalty and milestone portfolio. Preterm labor is extremely stressful for expectant parents and their families. The costs to care for premature babies can quickly escalate to hundreds of thousands of dollars, resulting in long-term financial distress for many families," stated Jim Neal, Chairman and Chief Executive Officer of XOMA. "The economics in the ebopiprant license acquisition have the potential to deliver significant returns to XOMA and our stockholders from the clinical development milestones alone. We wish Organon, a global women's health company, success in its development activities with ebopiprant."

Under the terms of the agreement, XOMA has acquired all rights to ebopiprant held by ObsEva, including the Organon/ObsEva license agreement and the IP associated with the asset. XOMA will now be entitled to receive up to $475 million in development, regulatory, and sales-based milestone payments under the ObsEva/Organon license agreement. XOMA will pay to ObsEva a portion of the development and regulatory milestones, as well as certain sales milestones, up to $98 million. Upon commercialization, XOMA will receive royalties that range from low- to mid-teens from Organon and will make a mid-single-digit royalty payment to Merck KGaA, Darmstadt, Germany.

About Ebopiprant
Ebopiprant (OBE022) was licensed by ObsEva from Merck KGaA, Darmstadt, Germany, in

2015. ObsEva previously announced positive results from PROLONG Part B, a 113-patient Phase 2a proof-of-concept, randomized, double-blind, placebo-controlled trial in women experiencing spontaneous preterm labor that compared atosiban (ex-U.S. standard of care) plus ebopiprant versus atosiban plus placebo for 7 days. In the study, ebopiprant plus atosiban reduced delivery in singleton pregnancies at 48 hours after the start of dosing by 55% compared to atosiban plus placebo. Overall, 12.5% of women receiving ebopiprant plus atosiban delivered within 48 hours of starting treatment compared to 21.8% receiving atosiban plus placebo (OR 90% CI: 0.52 (0.22, 1.23)). The incidence of maternal, fetal, and neonatal adverse events were comparable between both the ebopiprant and placebo groups.

About XOMA Corporation

XOMA is a biotechnology royalty aggregator playing a distinctive role in helping biotech companies achieve their goal of improving human health. XOMA acquires the potential future economics associated with pre-commercial therapeutic candidates that have been licensed to pharmaceutical or biotechnology companies. When XOMA acquires the future economics, the seller receives non-dilutive, non-recourse funding they can use to advance their internal drug candidate(s) or for general corporate purposes. The Company has an extensive and growing portfolio with more than 70 assets (asset defined as the right to receive potential future economics associated with the advancement of an underlying therapeutic candidate). For more information about the Company and its portfolio, please visit www.xoma.com.

Forward-Looking Statements/Explanatory Notes

Certain statements contained in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding the timing and amount of potential commercial payments to XOMA and other developments related to ebopiprant, the potential of XOMA's portfolio of partnered programs and licensed technologies generating substantial milestone and royalty proceeds over time, and XOMA's cash sufficiency forecast. In some cases, you can identify such forward-looking statements by terminology such as "anticipate," "intend," "believe," "estimate," "plan," "seek," "project," "expect," "may," "will", "would," "could" or "should," the negative of these terms or similar expressions. These forward-looking statements are not a guarantee of XOMA's performance, and you should not place undue reliance on such statements. These statements are based on assumptions that may not prove accurate, and actual results could differ materially from those anticipated due to certain risks inherent in the biotechnology industry, including those related to the fact that our product candidates subject to out-license agreements are still being developed, and our licensees may require substantial funds to continue development which may not be available; we do not know whether there will be, or will continue to be, a viable market for the products in which we have an ownership or royalty interest; if the therapeutic product candidates to which we have a royalty interest do not receive regulatory approval, our third-party licensees will not be able to market them; and the impact to the global economy as a result of the COVID-19 pandemic. Other potential risks to XOMA meeting these expectations are described in more detail in XOMA's most recent filing on Form 10-K and in other filings with the Securities and Exchange Commission. Consider such risks carefully when considering XOMA's prospects. Any forward-looking statement in this press release represents XOMA's beliefs and assumptions only as of the date of this press release and should not be relied upon as representing its views as of any subsequent date. XOMA

disclaims any obligation to update any forward-looking statement, except as required by applicable law.

EXPLANATORY NOTE: Any references to “portfolio” in this press release refer strictly to milestone and/or royalty rights associated with a basket of drug products in development. Any references to “assets” in this press release refer strictly to milestone and/or royalty rights associated with individual drug products in development.

As of the date of this press release, all assets in XOMA’s milestone and royalty portfolio, except Vabysmo®, are investigational compounds. Efficacy and safety have not been established. There is no guarantee that any of the investigational compounds will become commercially available.

XOMA Investor Contact
Juliane Snowden
XOMA Corporation
+1 646-438-9754
juliane.snowden@xoma.com

XOMA Media Contact
Kathy Vincent
KV Consulting & Management
+1 310-403-8951
kathy@kathyvincent.com

Source: XOMA Corporation