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XOMA's Royalty Portfolio Expands Significantly

EMERYVILLE, Calif., Aug. 12, 2019 (GLOBE NEWSWIRE) -- XOMA Corporation (Nasdaq: XOMA), today announced its portfolio of potential future royalty and milestone payments has significantly increased with the addition of Janssen Biotech, Inc. drug candidates for which XOMA could receive future milestone and royalty payments.

In addition, Janssen has elected to accelerate its base annual license fee obligation and will make a one-time $2.5 million payment to XOMA. For each program, XOMA is entitled to receive milestone payments upon the achievement of certain clinical development and regulatory approval events. Upon commercialization, XOMA will receive a .75% royalty on net sales.

"We're pleased that our partner Janssen has identified programs that are subject to XOMA economics, with several of those assets at clinical stage," stated Jim Neal, Chief Executive Officer at XOMA. "Consistent with our strategy to expand our portfolio of milestone and royalty bearing assets, this 17% increase brings the total to more than sixty."

About XOMA Corporation

XOMA has built a significant portfolio of products that are licensed to and being developed by other biotechnology and pharmaceutical companies. The Company's portfolio of partner-funded programs spans multiple stages of the drug development process and across various therapeutic areas. Many of these licenses are the result of XOMA's pioneering efforts in the discovery and development of antibody therapeutics. The Company's royalty-aggregator business model includes acquiring additional licenses to programs with third-party funding. For more information, 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 potential of XOMA's portfolio of partnered programs and licensed technologies generating substantial milestone and royalty proceeds over time, creating additional value for the stockholders and cash sufficiency forecast. 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. 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 SEC filings. Consider such risks carefully when considering XOMA's prospects. Any forward-looking statement in this press release represents XOMA's views 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.

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