

April 14, 2025



XOMA Royalty Completes Sale of Kinnate Pipeline Assets

XOMA Royalty sold the remaining Kinnate pipeline assets for a total of up to \$270 million in upfront and milestone payments, plus royalties on commercial sales at rates ranging from low single digits to mid-teens

Holders of Kinnate Contingent Value Rights (CVRs) will receive 85% of all related upfront, milestone, and royalty payments paid to XOMA Royalty prior to April 2, 2029

EMERYVILLE, Calif., April 14, 2025 (GLOBE NEWSWIRE) -- XOMA Royalty Corporation (NASDAQ: XOMA), the biotech royalty aggregator, announced today it has completed the sale of all five pipeline assets that were acquired when XOMA Royalty closed its acquisition of Kinnate Biopharma Inc. on April 3, 2024. Pursuant to the terms of the related asset purchase agreements, XOMA Royalty is entitled to upfront and milestone payments of up to \$270 million and future royalty payments at rates ranging from the low single digits to mid-teens on commercial sales tied to these assets.

"In addition to distributing the majority of Kinnate's cash balance to its existing shareholders upon closing of the acquisition, we have also created the potential for additional upside by selling all of Kinnate's early-stage pipeline products," stated Owen Hughes, Chief Executive Officer of XOMA Royalty. "Per the terms of the Kinnate acquisition agreement, legacy Kinnate shareholders will receive, by way of their Kinnate Contingent Value Rights (CVRs), 85% of payments received by XOMA Royalty prior to April 2, 2029, including all related upfront, milestones, and royalty payments, related to these Kinnate assets."

About XOMA Royalty Corporation

XOMA Royalty is a biotechnology royalty aggregator playing a distinctive role in helping biotech companies achieve their goal of improving human health. XOMA Royalty acquires the potential future economics associated with pre-commercial and commercial therapeutic candidates that have been licensed to pharmaceutical or biotechnology companies. When XOMA Royalty 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 of 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 or follow XOMA Royalty Corporation on [LinkedIn](#).

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 upfront, milestone, and royalty payments to XOMA Royalty, the ensuing payments to legacy Kinnate shareholders by way of their Kinnate Contingent Value Rights, and other developments related to the Kinnate assets. 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 Royalty’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 the Kinnate pipeline assets for which we have milestone and royalty interests are still being developed, and the purchasers of these assets 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 these products; and if these products do not receive regulatory approval, the purchasers of these assets will not be able to market them. Other potential risks to XOMA Royalty meeting these expectations are described in more detail in XOMA Royalty’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 Royalty’s prospects. Any forward-looking statement in this press release represents XOMA Royalty’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 Royalty 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, the commercial assets in XOMA Royalty’s milestone and royalty portfolio are VABYSMO[®] (faricimab-svoa), OJEMDA[™] (tovorafenib), MIPLYFFA[™] (arimoclomol), XACIATO[™] (clindamycin phosphate) vaginal gel 2%, IXINITY[®] [coagulation factor IX (recombinant)], and DSUVIA[®] (sufentanil sublingual tablet). All other assets in the milestone and royalty portfolio are investigational compounds. Efficacy and safety have not been established. There is no guarantee that any of the investigational compounds will become commercially available.

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

Media contact:
Kathy Vincent
KV Consulting & Management
kathy@kathyvincent.com



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