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XOMA Acquires Royalty and Milestone Interest in Checkmate's Vidutolimod (CMP-001) from Kuros Biosciences

EMERYVILLE, Calif., July 15, 2021 (GLOBE NEWSWIRE) -- XOMA Corporation (NASDAQ: XOMA), announced today it has acquired the royalty interest position Kuros Biosciences holds in Checkmate Pharmaceuticals' vidutolimod (CMP-001), an advanced-generation Toll-like receptor 9 agonist packaged in a virus-like particle, for $7.0 million upfront plus sales milestones. Vidutolimod is designed to trigger the body's innate immune system to attack tumors in combination with other therapies. The U.S. Food and Drug Administration has granted Fast Track designation to vidutolimod for the treatment of certain types of metastatic or unresectable melanoma and an Orphan Drug designation for Stages IIb - IV melanoma.

"We were drawn to vidutolimod because of the breadth of Checkmate's development activities," said Jim Neal, Chief Executive Officer at XOMA. "Checkmate currently is enrolling patients in a study with anti-PD-1 refractory advanced melanoma in combination with Bristol Myers Squibb's Opdivo® (nivolumab), a PD-1 blocking antibody, that is designed to serve as a registrational study. Checkmate also is pursuing a Phase 2/3 study in front line melanoma patients in combination with Opdivo and a study in patients with head and neck cancer and is planning a study in three indications in collaboration with Regeneron in non-melanoma skin cancers."

Under the terms of the agreement, XOMA has acquired all future potential royalties from commercial sales of vidutolimod, which are tiered from high-single to double digits. XOMA could receive up to $25 million in pre-commercial milestones associated with the Kuros/Checkmate license agreement. Kuros will be eligible to receive certain sales milestone payments from XOMA based on net sales of vidutolimod.

About XOMA Corporation
XOMA is a biotechnology royalty aggregator playing a unique 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.

Safe Harbor Statement

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, cash sufficiency forecast, economic outlook, and potential impact of the COVID-19 pandemic. 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 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. References to royalties or royalty rates strictly refer to future potential payment streams regardless of whether or not they are technically defined as royalties in the underlying contractual agreement; further, any rates referenced herein are subject to potential future contractual adjustments.

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

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