Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name XOMA Royalty Corporation			**2 Issuer's employer identification number (EIN)** 52-2154066
3 Name of contact for additional information Melanie Herman	**4** Telephone No. of contact (858) 550 7761		**5** Email address of contact investors@ligand.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 3911 Sorrento Valley Blvd. Suite 110			**7** City, town, or post office, state, and ZIP code of contact San Diego, CA 92121
8 Date of action July 14, 2026	**9** Classification and description Common Stock, Series A & Series B Cumulative Perpetual Preferred Stock		
10 CUSIP number 98419J-206, 305, & 404	**11** Serial number(s) N/A	**12** Ticker symbol XOMA, XOMAP, & XOMAO	**13** Account number(s) N/A

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 ▶ On July 14, 2026, XOMA Royalty Corporation (the “Company”) implemented a holding company reorganization (the “Reorganization”) pursuant to which XOMA Royalty Holdings Corporation (“HoldCo”) became the new holding company for the Company. Immediately prior to the Reorganization, HoldCo was a wholly owned subsidiary of the Company. Pursuant to the Reorganization, a newly formed, direct wholly owned subsidiary of HoldCo merged with and into the Company, with the Company surviving as a direct wholly owned subsidiary of HoldCo (the “Merger”). Immediately after the Merger, the Company converted from a Nevada corporation to a Delaware limited liability company, and renamed itself XOMA Royalty LLC (the “Conversion”). The Merger and the Conversion, taken together, are intended to be treated as a reorganization described in Section 368(a)(1)(F) of the Code.

Pursuant to the Merger, each share of Company stock issued and outstanding immediately prior to the Merger automatically converted into one corresponding share of HoldCo stock, having the same designations, rights, powers, preferences, qualifications, limitations and restrictions as the converted share of Company stock.

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 basis of the shares of HoldCo stock received by each former Company shareholder will be the same as such shareholder’s basis in the shares of Company stock exchanged therefor.

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 ▶ No change in basis occurred as a result of this organizational action.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Sections 354, 358, and 368 of the Code

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ N/A

Sign Here

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.

Signature ▶ Andrew Reardon Date ▶ July 30,2026

Print your name ▶ Andrew Reardon Title ▶ Chief Legal Officer & Secretary

Paid Preparer Use Only					
	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054