



**Part II** Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached statement.](#)

Horizontal lines for listing applicable Internal Revenue Code sections.

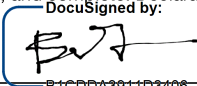
18 Can any resulting loss be recognized? ▶ [See attached statement.](#)

Horizontal lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attached statement.](#)

Horizontal lines for providing other necessary information.

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.

DocuSigned by:  
 Signature ▶  Date ▶ 1/15/2021  
 B1CDDA3911D3406...  
 Print your name ▶ Brendan Franich Title ▶ VP Legal

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Katerra Inc.**  
**EIN: 47-2918559**  
**Form 8937 Statement**

**Disclaimer**

The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any shareholder's specific circumstances. Shareholders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the Transactions described herein and the impact to tax basis resulting from the Transactions.

**Part II, Line 14**

On December 30, 2020, and immediately after the Conversion (as defined below), Katerra Inc. (the "Company") effected a reverse stock split for all of its outstanding shares of stock. Pursuant to the reverse stock split, every 100,000 shares of issued and outstanding Ordinary Shares and Class B Ordinary Shares automatically converted into 1 share of Ordinary Shares and Class B Ordinary Shares, respectively (the "Reverse Stock Split"). A shareholder that would have otherwise been entitled to a fractional share as a result of the Reverse Stock Split may have received such fractional share or, at the discretion of the Board, may have received either cash in lieu thereof (in which case the shareholder was deemed to have received such fraction share pursuant to the Reverse Stock Split and that as having exchanged such fractional share for cash in a redemption by the Company) or one whole share for each fractional share to which the shareholder would otherwise be entitled.

On December 30, 2020, the Company converted Preferred Shares into Ordinary Shares (the "Conversion", which Conversion occurred prior to the Reverse Stock Split) and reclassified certain Ordinary Shares as Class C Ordinary Shares (a "Reclassification" and each of the Conversion and the Reclassification, a "Recapitalization," and collectively with the Reverse Stock Split, the "Transactions"). No fractional shares were issued in the Conversion and a shareholder would have received in lieu of such fractional share, at the discretion of the Board, either either cash in lieu thereof (in which case the shareholder was deemed to have received such fraction share pursuant to the Conversion and that as having exchanged such fractional share for cash in a redemption by the Company) or one whole share for each fractional share to which the shareholder would otherwise be entitled.

**Part II, Line 15**

Shareholders the Company should consult their tax advisors as to the particular U.S. federal income tax consequences to them as a result of the Transactions.

As a result of the Reverse Stock Split, shareholders will be required to allocate their aggregate tax basis in the existing stock held immediately prior to the Reverse Stock Split among the shares held immediately after the Reverse Stock Split, including any fractional shares (and, for the avoidance of doubt, including any fractional shares for which cash in lieu was received (if any)). Shareholders that have acquired different blocks of stock at different times or at different prices should consult

their own tax advisors regarding the allocation of their aggregated adjusted basis among, and the holding period of that stock.

As a result of the Conversion, shareholders will be required to allocate their aggregate tax basis in the existing stock held immediately prior to the Conversion among the shares held immediately after the Conversion, including any fractional shares (and, for the avoidance of doubt, including any fractional shares for which cash in lieu was received (if any)).

As a result of the Reclassification, shareholders will be required to allocate their aggregate tax basis in the existing stock held immediately prior to the Reclassification among the shares held immediately after the Reclassification.

### **Part II, Line 16**

If fractional shares were issued in the Reverse Stock Split, aggregate tax basis of Company shares held by a shareholder immediately after the Reverse Stock Split (including any such fractional shares) will generally equal such shareholder's aggregate tax basis in its Company shares immediately before the Reverse Stock Split. To the extent no fractional shares were issued in the Reverse Stock Split, the aggregate tax basis of Company shares held by a shareholder immediately after the Reverse Stock Split could be less than the pre-Reverse Stock Split aggregate tax basis by an amount equal to the aggregate tax basis allocated to the fractional shares, if any.

The aggregate tax basis of Company shares held by a shareholder immediately after a Recapitalization will generally equal such shareholder's aggregate tax basis in its Company shares immediately before any such Recapitalization; provided that in the Conversion, because no fractional shares were issued, the aggregate tax basis of Company shares held by a shareholder immediately after the Conversion could be less than the pre-split aggregate tax basis by an amount equal to the aggregate tax basis allocated to the fractional shares, if any.

### **Part II, Line 17**

Sections 301, 302, 305, 354, 358, 368, 1001 and 1012 of the Code.

### **Part II, Line 18**

To the extent fractional shares were issued as part of the Reverse Stock Split, a shareholder will generally not recognize any gain or loss for U.S. federal income tax purposes as a result of the Reverse Stock Split. Conversely, to the extent that a shareholder received cash in lieu of a fractional share, a shareholder who received any such cash payment in lieu of any such fractional share may, to the extent such cash is not treated as a dividend for tax purposes, recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share and the shareholder's adjusted tax basis in the fractional share. To the extent that a shareholder received cash in lieu of a fractional share, that shareholder should consult with their tax advisors regarding the amount of gain or loss that should be recognized and the amount of cash that may be treated as a dividend (if any).

A shareholder that owned Company shares that were either converted or reclassified in a Recapitalization will generally not recognize any gain or loss for U.S. federal income tax purposes as a result of any such Recapitalization; provided that to the extent a shareholder received any cash payment in lieu of any fractional share in the Conversion then such shareholder may, to the extent such cash is not treated as a dividend for tax purposes, recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share and the shareholder's adjusted tax basis in the fractional share. To the extent that a shareholder received cash in lieu of a fractional share in the Conversion, that shareholder should consult with their tax advisors regarding the amount of gain or loss that should be recognized and the amount of cash that may be treated as a dividend (if any).

**Part II, Line 19**

The reportable tax year for each shareholder is the shareholder's tax year that includes December 30, 2020 (2020 for a calendar-year taxpayer).