### Form **8937**

Department of the Treasury Internal Revenue Service

### Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part Reporting	Issuer			
1 Issuer's name			2 Issuer's employer identification number (EIN)	
Talaris Therapeutics, Inc.		83-2377352		
3 Name of contact for ad-	ditional information 4	Telephone No. of contact	5 Email address of contact	
Ryan Robinson		484-868-3711	rrobinson@tourmalinebio.com	
	P.O. box if mail is not de	livered to street address) of contact		
·		,,,,,		
27 West 24th Street, Suite	702	T	New York, NY 10010	
8 Date of action		9 Classification and description		
October 20, 2023		Cash distribution		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)	
87410C104 (Pre-Merger)		TALS (Pre-Merger)		
89157D105 (Post-Merger)	N/A	TRML (Post-Merger)	N/A	
Part II Organizati	onal Action Attach	additional statements if needed. Se	ee back of form for additional questions.	
14 Describe the organizathe action ► See att		licable, the date of the action or the da	te against which shareholders' ownership is measured for	
See att	ached.			
	tive effect of the organiz age of old basis ► See		rity in the hands of a U.S. taxpayer as an adjustment per	
orialo or ao a porcoria	790 01 010 00010 P 366 1	attached.		
		is and the data that supports the calcul	lation, such as the market values of securities and the	
valuation dates ► <u>See</u>	attached.			

Par	Ш	Organizational Action (	ontinued)				
			ode section(s) and subsection(s) upon which the tax t	treatment i	s based ▶	See attach	ed.
		A A STATE OF THE S	1				
18	Can a	any resulting loss be recognized?	See attached				
	Oarra	ary resulting loss be recognized.	occ attaones.	······································			
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19	Provi	de any other information necessa	ary to implement the adjustment, such as the reportal	ble tax yea	r ► <u>See a</u>	ttached.	
<u> </u>							
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	Ur	nder penalties of periury. I declare the	at I have examined this return, including accompanying sch	edules and	statements	, and to the best	of my knowledge and
	be	elief, it is true, correct, and complete.	Declaration of preparer (other than officer) is based on all info	ormation of v	vhich prepa	arer has any knov	vledge.
Sign	١	Rom Roli			40		
Here	Sig	gnature ▶		Date ►	12/	1/2023	
		int your name ► Ryan Ro	hinson	Title ▶	Interir	n CFO an	d Treasurer
D=:		int your name ► RYAIT RO Print/Type preparer's name	Preparer's signature	Date			PTIN
Preparer Use Only  Print Type preparer's name  ANN EDATTEL  Firm's name DELOITTE			Hom tolattel	121	1/23	Check if self-employed	P01377838
		Subject to the court of the control of the court of the c	TAX LLP			Firm's EIN ▶	86-1065772
USE		Y Particular and the second se	S STREET, MORRISTOWN, NJ 07960			Phone no.	973-602-6000
Sand	Eorm		tatements) to: Department of the Treasury Internal F	Revenue Se	rvice On	den LIT 84201	-0054

## Talaris Therapeutics, Inc. Attachment to FORM 8937

# Date of Organizational Action – October 20, 2023 REPORT OF ORGANIZATIONAL ACTIONS AFFFECTING BASIS OF SECURITIES

#### FORM 8937 - Part II - 14:

Talaris Therapeutics, Inc. ("Talaris") declared a special cash dividend to its stockholders on October 6, 2023 (the "Special Dividend"). The Special Dividend was \$15.118 per share of Talaris common stock, payable in cash. The ex-dividend date in respect to the Special Dividend was before market open on October 20, 2023, and only stockholders of record as of October 16, 2023, record date for the Special Dividend, that continued to hold their eligible shares of the Company until market open on October 20, 2023, were entitled to the dividend payment.

The above distribution was in excess of Talaris' current and accumulated earnings and profits and is either considered a nontaxable return of capital distribution or capital gain.

#### FORM 8937 - Part II - 15:

Assuming that the Distribution is considered separately from Talaris' recent reverse stock split and acquisition of Tourmaline Bio, Inc., the Distributions will reduce each shareholder's tax basis in each share by \$15.118, the amount of the distribution per share on the date of the distribution and any excess of Distributions over a shareholder's tax basis will be treated as capital gains. Talaris stockholders should consult their own tax advisors regarding the consequences to them of the receipt of the Special Dividend, including the extent to which it will be treated as capital gains.

#### FORM 8937 - Part II – 16:

After the close of Talaris' taxable year of January 1, 2023, through December 31, 2023, ("2023 Taxable Year"), Talaris will calculate its current and accumulated earnings and profits ("E&P"). Talaris has projected its E&P for its 2023 Taxable Year and plans to characterize the Distributions as distributions in excess of E&P, which reduces each shareholder's tax basis in the applicable shares by the amount of the Distribution (or, to zero, if the Distributions to a shareholder are in excess of the shareholder's tax basis in the applicable shares).

#### FORM 8937 - Part II – 17:

Internal Revenue Code Sections 316(a) (defining dividend as any distribution of property made by a corporation to its shareholders out of current or accumulated earnings and profits) and 30l(c)(2) (providing that the portion of the distribution which is not a dividend shall be applied against and reduce the adjusted basis of the stock).

#### FORM 8937 - Part II – 18:

No loss may be recognized per the return of capital distributions. The shareholder's basis should be adjusted to reflect the return of capital distributions, which may affect the gain or loss realized upon disposition of the shares.

#### FORM 8937 - Part II - 19:

The adjustment to basis should be taken into account in the tax year of the shareholder during which the distribution was received (for example, the calendar year 2023 for individuals).