



**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.

Multiple horizontal lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See attached.

Multiple 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.

Multiple 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.

Sign Here

Signature ▶ Ryan Rob Date ▶ 12/1/2023

Print your name ▶ Ryan Robinson Title ▶ Interim CFO and Treasurer

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
ANN EDATTEL	<u>Ann Edattel</u>	<u>12/1/23</u>		P01377838
Firm's name ▶	Firm's EIN ▶		Phone no.	
DELOITTE TAX LLP	86-1065772		973-602-6000	
Firm's address ▶	110 MORRIS STREET, MORRISTOWN, NJ 07960			

Talaris Therapeutics, Inc.  
Attachment to FORM 8937 Date of Organizational Action – October 19, 2023  
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

FORM 8937 - Part II – 14:

On October 19, 2023, Tourmaline Bio, Inc. (“Tourmaline”), merged with a subsidiary of Talaris Therapeutics, Inc. (“Talaris”), with Tourmaline continuing its existence as the surviving corporation and as a wholly owned subsidiary of Talaris. In the merger, Tourmaline stockholders had a right to 0.07977 shares of Talaris common stock per share of Tourmaline stock. No fractional shares of Talaris common stock were issuable to Tourmaline stockholders pursuant to the merger.

FORM 8937 - Part II – 15:

Talaris intends for the merger to be treated for federal income tax purposes as a tax-deferred reorganization under Section 368(a) of the Internal Revenue Code (the “Intended Tax Treatment”). Accordingly, and assuming the merger qualifies for the Intended Tax Treatment, a Tourmaline stockholder’s basis in each Talaris share received in the exchange will be equal to the basis in the 12.536 shares of Tourmaline stock surrendered in exchange for that share. The aggregate tax basis in the shares of Talaris common stock that were received in the merger will equal the aggregate adjusted tax basis in the Tourmaline stock a Tourmaline stockholder surrendered in the merger. The basis in the surrendered Tourmaline shares must be allocated in a manner that reflects, to the greatest extent possible, that shares of Talaris common stock received are received in exchange for shares of Tourmaline stock that were acquired on the same date and at the same price. To the extent it is not possible to allocate in this manner, the basis of the Tourmaline shares surrendered must be allocated to the shares of Talaris common stock received in a manner that minimizes the disparity in the holding periods of the surrendered Tourmaline shares whose basis is allocated to any particular share received. This could result in a particular share having a split basis and a split holding period. Each shareholder should consult with such shareholder’s tax advisor with respect to the computation of gain or loss and basis in this transaction based on such shareholder’s specific facts.

FORM 8937 - Part II – 16:

Assuming the merger qualifies for the Intended Tax Treatment, the basis in each Talaris share received will be equal to the basis in the Tourmaline shares exchanged for that share. See the discussion in 15 above for further description of the specific allocation of basis when certain shares have a different basis per share and/or holding period.

FORM 8937 - Part II – 17:

Sections 368(a)(2)(e)  
Section 354(a)  
Sections 358(a) and (b)

FORM 8937 - Part II – 18:

Assuming that the merger qualifies for the Intended Tax Treatment, Tourmaline shareholders are not expected to recognize any gain or loss for U.S. federal income tax purposes by reason of the reorganization.

FORM 8937 - Part II – 19:

The reportable tax year for reporting the merger is the taxable year that includes October 19, 2023 (e.g. 2023 for calendar-year taxpayers).