

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

18 Can any resulting loss be recognized? ▶ see attached statement

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ see attached statement

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 ▶ _____ Date ▶ _____

Print your name ▶ Allison Johnson Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Heather Wallace</u>	<u>/s/ Heather Wallace</u>	<u>05/04/2022</u>		<u>P01977717</u>
	Firm's name ▶ <u>Dixon Hughes Goodman LLP</u>	Firm's EIN ▶ <u>56-0747981</u>		Phone no. <u>205-212-5300</u>	
	Firm's address ▶ <u>800 Shades Creek Parkway, STE 500, Birmingham, AL 35209-4547</u>				

Spirit of Texas Bancshares, Inc.
Attachment to Form 8937
EIN: 90-0499552
Report of Organizational Actions Affecting Basis of Securities

Form 8937 Part II, Box 14:

On March 16, 2017, Spirit of Texas Bancshares, Inc. ("Spirit") effected a reverse stock split at a one-for-two ratio.

Pursuant to the terms and conditions, each outstanding share of Spirit was converted to 1/2 of an outstanding share.

Shareholders that would have otherwise received fractional shares as a result of the reverse stock split received cash payments in lieu of fractional shares of \$7.50. Except for adjustments that resulted from the treatment of fractional shares, each shareholder held the same percentage of common stock outstanding after such reverse stock split as that shareholder held immediately prior to such reverse stock split.

Form 8937 Part II, Box 15:

A shareholder's tax basis in one (1) share of Spirit common stock subsequent to the reverse stock split is equal to the basis in one (1) share of Spirit common stock prior to the reverse stock split multiplied by 2.

If a shareholder acquired different blocks of common stock at different times or at different prices, the reverse stock split will be allocated pro rata to each block of common stock, and the basis of each block of Spirit common stock received will be determined on a block-for-block basis.

Shareholders who receive cash in lieu of a fractional share of common stock are, for purposes of determining the taxability of that cash, deemed to have received the fractional share in the exchange and then as having sold the fractional share for cash. These shareholders will generally recognize a taxable gain or loss equal to the difference between the tax basis of the common shares deemed to have been exchanged for the fractional share and the amount of cash received.

Each shareholder is encouraged to consult their own personal tax advisor regarding the determination of this realized gain or loss on the exchange.

Form 8937 Part II, Box 16:

Refer to the description of the basis calculation in Part II, Box 15 above.

Form 8937 Part II, Box 17:

Spirit intends for the Reverse Stock Split to qualify as a "recapitalization" within the meaning of Section 368(a) of the Internal Revenue Code for U.S. federal income tax purposes. On the basis that the Reverse Stock Split so qualifies, shareholders whose pre-Reverse Stock Split shares are exchanged in the Reverse Stock Split will not recognize gain or loss for U.S. federal income tax purposes, except to the extent of cash, if any, received in lieu of a fractional share (which fractional share will be treated as received and then exchanged for such cash).

Form 8937 Part II, Box 18:

In general, a shareholder cannot recognize any loss. A shareholder who received cash in lieu of a fractional share of common stock may recognize loss if the amount of cash received is less than the basis in the fractional share, as applicable.

Form 8937 Part II, Box 19:

In general, any adjustment to the tax basis that causes gain or loss recognized by a shareholder should be reported for the taxable year which includes March 16, 2017. A calendar year shareholder would report the transaction on a 2017 income tax return.

The holding period of stock will include the holding period prior to the reverse stock split. A holder of stock who received cash in lieu of a fractional share of stock will generally be treated as having received the fractional share pursuant to the merger and then as having sold the fractional share of common stock for cash.

Each shareholder is encouraged to consult their own personal tax advisor regarding the determination of this realized gain or loss on the exchange.

No ruling from the Internal Revenue Service (the "IRS") has been requested, or will be obtained, regarding the U.S. federal income tax consequences described in this report. This report is not binding on the IRS and the IRS and the U.S. courts could disagree with one or more of the positions described above.

This information in this form does not constitute tax advice and each holder of Spirit of Texas Bancshares, Inc. common stock is urged to consult its tax advisor with respect to the application of United States federal income tax laws to the holder's particular situation.