

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Spirit of Texas Bancshares, Inc.		2 Issuer's employer identification number (EIN) 90-0499552	
3 Name of contact for additional information Allison Johnson	4 Telephone No. of contact 281-516-4923	5 Email address of contact ajohnson@sotb.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1836 Spirit of Texas Way		7 City, town, or post office, state, and ZIP code of contact Conroe, TX 77301	
8 Date of action 11/05/2019		9 Classification and description Common Stock	
10 CUSIP number 84861D103	11 Serial number(s) N/A	12 Ticker symbol STXB	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 ▶ see attached statement

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 ▶ see attached statement

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 ▶ see attached statement

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](#)

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 ▶ /s/ Allison Johnson Date ▶ 11/11/2021

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>11/11/2021</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 November 5, 2019, Chandler Bancorp, Inc. ("CBI") completed a merger with Spirit of Texas Bancshares, Inc. ("Spirit"). Pursuant to the terms and conditions of the Agreement and Plan of Merger, dated as of July 24, 2019, CBI merged with and into Spirit. As a result of the merger, Spirit is the surviving corporation while CBI ceased to exist as a corporation.

Pursuant to the terms and conditions set forth in the Reorganization Agreement, all of the outstanding shares of CBI common stock, par value \$10.00 per share, held by KPL, as the sole shareholder of CBI, immediately prior to the effective time of the Merger were converted into the right to receive an aggregate of approximately \$17.9 million in cash and 2,100,000 shares of STXB common stock, no par value ("STXB Common Stock").

Form 8937 Part II, Box 15:

The merger of CBI with and into Spirit qualifies as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended.

A CBI shareholder's tax basis in one (1) share of Spirit common stock received in exchange for CBI common stock should equal the shareholder's basis in one (1) share of CBI common stock divided by a fraction, the numerator of which is 2,100,000 and the denominator of which is the aggregate of the number of shares of CBI Stock issued and outstanding immediately prior to the Effective Time as defined in the Reorganization Agreement.

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

The 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. The November 5, 2019 closing price of a single share of Spirit common stock on the NASDAQ Stock Exchange was \$21.24.

Form 8937 Part II, Box 17:

Spirit's acquisition of CBI, pursuant to the merger completed on November 5, 2019 was structured to qualify as reorganization within the meaning of Section 368(a) of the Internal Revenue Code. In general, the income tax consequences to the shareholders are determined under Internal Revenue Code sections 302, 354, 356, 358, and 368.

Form 8937 Part II, Box 18:

In general, each CBI shareholder who received Spirit common stock and cash for all of their CBI stock cannot recognize any loss. A CBI shareholder who received cash in lieu of a fractional share of Spirit 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 CBI shareholder as a result of the completion of the Merger should be reported for the taxable year which includes November 5, 2019. A calendar year shareholder would report the transaction on a 2019 income tax return.

The holding period of Spirit common stock received in exchange for shares of CBI common stock will include the holding period of CBI common stock for which it is exchanged. A holder of CBI common stock who received cash in lieu of a fractional share of Spirit common 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.

The 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 of the Merger 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 Chandler Bancorp, 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.