

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

## Part I Reporting Issuer

1 Issuer's name  <u>Kellanova (formerly Kellogg Company)</u>		2 Issuer's employer identification number (EIN)  <u>38-0710690</u>	
3 Name of contact for additional information  <u>Rick Schell</u>	4 Telephone No. of contact	5 Email address of contact  <u>Rick.Schell@kellanova.com</u>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact  <u>One Kellogg Square</u>		7 City, town, or post office, state, and ZIP code of contact  <u>Battle Creek, MI 49017</u>	
8 Date of action  <u>10/2/23</u>		9 Classification and description  <u>Common Stock</u>	
10 CUSIP number  <u>487836108</u>	11 Serial number(s)	12 Ticker symbol  <u>K</u>	13 Account number(s)

## 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](#)

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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](#)

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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](#)

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**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](#)

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**18** Can any resulting loss be recognized? ▶ [See Attached Statement](#)

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See Attached Statement](#)

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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 ▶  Date ▶ 10/20/2023  
Print your name ▶ Richard Schell Title ▶ Vice President - Tax

<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.

**Kellanova (formerly Kellogg Company)**  
**EIN: 38-0710690**  
**Attachment to Form 8937**  
**Report of Organizational Action Affecting Basis of Securities**

DISCLAIMER: The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the "Code"). This attachment includes a general summary regarding certain U.S. federal income tax laws and regulations relating to the effects of the Distribution and the Merger (each as defined below) on the tax basis of shares of Kellanova (formerly Kellogg Company) ("Kellanova") common stock, the allocation of basis between shares of Kellanova common stock and shares of WK Kellogg Co ("SpinCo") common stock pursuant to the Distribution.

DISCLAIMER: The information provided on Form 8937 and within this attachment is based on the intended tax treatment of the Distribution as a distribution pursuant to Section 355, and does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders. Stockholders, including stockholders that hold different blocks of shares (i.e., shares acquired at different times or different prices), are urged to consult their own tax advisors regarding the Distribution and the particular consequences to it, including the applicability and effect of all U.S. federal, state, local, and foreign tax laws.

### **Form 8937, Line 14**

On October 2, 2023, Kellanova completed the previously announced transaction to separate its business in the North American cereal category from its global snacking, international cereal and noodles, and North American frozen categories, by distributing, on a pro rata basis, all of the outstanding common stock of WK Kellogg Co (“SpinCo”) to Kellanova common stockholders (the “Distribution”). Pursuant to the Distribution, each holder of Kellanova common stock received one share of SpinCo common stock for every four shares of Kellanova common stock held as of September 21, 2023.

No fractional shares of SpinCo common stock were issued in connection with the Distribution. The distribution agent will not distribute any fractional shares of SpinCo common stock. Instead, the distribution agent will aggregate fractional shares into whole shares, sell the whole shares in the open market at prevailing market prices and distribute the aggregate cash proceeds of the sales, net of brokerage fees and other costs, pro rata to each holder (net of any required withholding for taxes applicable to each holder) who would otherwise have been entitled to receive a fractional share in the distribution.

### **Form 8937, Line 15**

Kellanova stockholders must allocate their aggregate tax basis in their shares of Kellanova common stock held immediately prior to the Distribution among the shares of SpinCo common stock distributed in the Distribution (including the fractional shares for which cash was received) and the shares of Kellanova common stock in respect of which such shares of SpinCo common stock were received in proportion to their respective fair market values immediately after the Distribution.

A SpinCo stockholder who receives cash in lieu of a fractional share of SpinCo common stock will be treated as having received the fractional share pursuant to the Distribution and then as having sold that fractional share for cash. As a result, such stockholder will recognize gain or loss equal to the difference between the amount of the cash received for such fractional share and the tax basis allocated to such fractional share.

### **Form 8937, Line 16**

The U.S. federal income tax laws provide that the allocation of the aggregate tax basis discussed under Line 15 above is allocated based on the respective fair market values of the resulting shares of Kellanova and SpinCo common stock received. However, the tax law does not provide any further guidance on the determination of fair market value. One approach to determine the fair market value of Kellanova and SpinCo is to use the average of the highest and lowest trading prices for both entities on the New York Stock Exchange on October 2, 2023, the first trading day following the Distribution. Using the average of the highest and lowest trading prices for shares of Kellanova common stock (\$53.80) and shares of SpinCo common stock (\$13.78) on October 2, 2023 and accounting for the 4:1 share ratio, approximately 6.02% of the aggregate tax basis held by the Kellanova stockholders immediately prior to the Distribution would be allocated to the shares of SpinCo common stock received by such stockholders.

For example, if a Kellanova shareholder owns a single tax lot of 105 common shares of Kellanova with a tax basis of \$10 per share, and received 26 shares of SpinCo common stock in the Spin Off as well as cash for 0.25 SpinCo fractional share, 93.98% of the aggregate tax basis

of \$1,050, or \$986.79, would be allocated to the 105 shares of Kellanova common stock, resulting in a tax basis of \$9.40 per share (rounded) of Kellanova common stock. The remaining 6.02% of the aggregate tax basis, or approximately \$63.21, would be allocated to the 26 shares and the 0.25 fractional share of SpinCo common stock. This results in a tax basis of \$2.41 per share of SpinCo common stock (rounded), with approximately \$0.60 (rounded) of tax basis allocated to the SpinCo fractional share in respect of which cash is received.

Kellanova shareholders who acquired tax lots of Kellanova common stock at different times or at different prices should perform the foregoing allocation separately with respect to each such tax lot of Kellanova common stock in consultation with their own tax advisors. Other valuation methodologies may exist, and shareholders are urged to consult their tax advisors regarding these tax basis allocation calculations. Kellanova shareholders are not bound by the approach illustrated above and may, in consultation with their own tax advisors, use another approach in determining fair market values for Kellanova common stock and SpinCo common stock.

**Form 8937, Line 17**

The applicable Code sections upon which the tax treatment is based are Sections 354, 355, 358, 368, 1001, 1221, 1222, and 1223.

**Form 8937, Line 18**

The Distribution is intended to qualify for non-recognition of gain or loss under Section 355 and Section 368. Accordingly, a U.S. stockholder should not recognize any gain or loss in the Distribution (except for any gain or loss attributable to the receipt of cash in lieu of fractional shares of SpinCo common stock in the Distribution).

**Form 8937, Line 19**

The stock basis adjustments are taken into account in the taxable year of a Kellanova stockholder during which the Distribution occurred (e.g., 2023 for calendar year taxpayers).