

# Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

## Part I Reporting Issuer

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
BABYLON HOLDINGS LIMITED		98-1638964	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
CHARLES STEEL	+44 (0) 20 7100 0762	investors@babylonhealth.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
1 KNIGHTSBRIDGE GREEN		LONDON, ENGLAND, SW1X 7QA	
<b>8</b> Date of action		<b>9</b> Classification and description	
SEE ATTACHED		SEE ATTACHED	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
		BBLN	

## 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](#)

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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](#)

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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](#)

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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 ATTACHED18 Can any resulting loss be recognized? ▶ SEE ATTACHED19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHEDSign  
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 ▶ Charles Steel Date ▶ 6 December 2021Print your name ▶ CHARLES STEEL Title ▶ CFO**Paid  
Preparer  
Use Only**

Print/Type preparer's name <u>LORI WREN ELERTS</u>	Preparer's signature <u>Lori Wren Elerts</u>	Date <u>12/6/2021</u>	Check <input type="checkbox"/> if self-employed	PTIN <u>P00472424</u>
Firm's name ▶ <u>DELOITTE TAX LLP</u>	Firm's EIN ▶ <u>86-1065772</u>		Phone no. <u>415-783-4000</u>	
Firm's address ▶ <u>555 MISSION STREET, SAN FRANCISCO, CA 94105</u>				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Babylon Holdings Limited**  
**EIN: 98-1638964**  
**Attachment to Form 8937**

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,” with each reference to the Code as a “section”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the transactions described below on securities. The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular persons or categories of persons. Holders of Alkuri Global Acquisition Corp., a Delaware corporation (“Alkuri”) stock are encouraged to consult their independent tax advisors regarding the particular consequences of the Merger (defined below) to them (including the applicability and effect of all federal, state, local and non-U.S. laws). Terms not defined herein are assigned their meaning in the Form F-1 for Babylon Holdings Limited (“Babylon” or “Babylon Holdings”), filed with the Securities and Exchange Commission on November 9, 2021.

**Lines 8 and 9:**

<b>Line 8: Date of Action</b>	<b>Line 9: Classification and Description</b>
October 21, 2021	Babylon Holdings Class G1 Shares
October 21, 2021	Babylon Holdings Class B Ordinary Shares
October 21, 2021	Babylon Holdings Series C Preferred Shares
October 21, 2021	Babylon Holdings Class A Ordinary Shares
October 21, 2021	Alkuri Common Stock

**Line 14:**

***Babylon Holdings Class G1 Shares are Converted into Babylon Holdings Class B Ordinary Shares***

In connection with the transaction, on October 21, 2021 Babylon Holdings Class G1 Shares converted into Babylon Holdings Class B Ordinary Shares pursuant to a conversion ratio of one Babylon Holdings Class B Ordinary Share per approximately 4.3 Babylon Holdings Class G1 Shares. Subsequently, the Babylon Holdings Class B Ordinary Shares were redesignated as Babylon Holdings Class A Ordinary Shares (see below).

*Babylon Holdings Class B Ordinary Shares are Converted into the newly issued Babylon Holdings Class A Ordinary Shares (“Pubco Class A Shares”) on a One-for-One Share Basis*

On October 21, 2021 and immediately prior to the closing of the Business Combination, all outstanding shares of Babylon Holdings Class B Ordinary Shares were reclassified as Pubco Class A Shares.

The Pubco Class A Shares have the same economic terms as the newly issued Babylon Holdings Class B Ordinary Shares (“Pubco Class B Shares”), but each Pubco Class A Share has 1 vote per share while each Pubco Class B Share has 15 votes per share.

*Babylon Holdings Series C Preferred Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis*

On October 21, 2021 and immediately prior to the closing of the Business Combination, all outstanding shares of Babylon Holdings Series C Preferred Shares were reclassified as Pubco Class A Shares.

*Babylon Holdings Class A Ordinary Shares are Converted into Pubco Class B Shares*

On October 21, 2021 and immediately prior to the closing of the Business Combination, the existing Babylon Holdings Class A Ordinary Shares were reclassified as Babylon Holdings Class B Ordinary Shares (*i.e.*, the Pubco Class B Shares).

*Merger Sub Merges with and into Alkuri, with Alkuri Surviving in the Merger*

On October 21, 2021, Babylon consummated a merger (the “**Merger**”) with Alkuri, pursuant to which Alkuri merged with Liberty USA Merger Sub, Inc. (“**Merger Sub**”), Babylon’s wholly owned subsidiary, with Alkuri continuing as the surviving company and a wholly owned subsidiary of Babylon. Each share of Alkuri common stock (including the Alkuri common stock held by the Sponsor but excluding shares held in treasury by Alkuri) was automatically converted into the right to receive one (1) Babylon Holdings Class A Ordinary Share of Babylon.

**Line 15**

*Babylon Holdings Class G1 Shares are Converted into Babylon Holdings Class B Ordinary Shares*

The conversion of the Babylon Holdings Class G1 shares into Babylon Holdings Class B Ordinary Shares is intended to qualify as a tax-free recapitalization under section 368(a) of the Code. Therefore, under section 354(a), no gain or loss is recognized. Under section 358(a), each holder’s basis in the recapitalized interests received pursuant to the conversion is expected to be the same as their basis in the interests surrendered in the exchange.

*Babylon Holdings Class B Ordinary Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis*

The conversion of the Babylon Holdings Class B Ordinary Shares into Pubco Class A Shares is intended to qualify as a tax-free recapitalization under section 368(a) of the Code. Therefore, under section 354(a), no gain or loss is recognized. Under section 358(a), each holder's basis in the recapitalized interests received pursuant to the conversion is expected to be the same as their basis in the interests surrendered in the exchange.

*Babylon Holdings Series C Preferred Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis*

The conversion of the Babylon Holdings Series C Preferred Shares into Pubco Class A Shares is intended to qualify as a tax-free recapitalization under section 368(a) of the Code. Therefore, under section 354(a), no gain or loss is recognized. Under section 358(a), each holder's basis in the recapitalized interests received pursuant to the conversion is expected to be the same as their basis in the interests surrendered in the exchange.

*Babylon Holdings Class A Ordinary Shares are Converted into Pubco Class B Shares*

The conversion of the Babylon Holdings Class A Ordinary Shares into Pubco Class B Shares is intended to qualify as a tax-free recapitalization under section 368(a) of the Code. Therefore, under section 354(a), no gain or loss is recognized. Under section 358(a), each holder's basis in the recapitalized interests received pursuant to the conversion is expected to be the same as their basis in the interests surrendered in the exchange.

*Merger Sub Merges with and into Alkuri, with Alkuri Surviving the Merger*

The Merger is generally intended to be treated as a taxable exchange of Alkuri common stock for PubCo Class A stock under section 1001 of the Code.

**Line 16**

*Babylon Holdings Class G1 Shares are Converted into Babylon Holdings Class B Ordinary Shares; Babylon Holdings Class B Ordinary Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; Babylon Holdings Series C Preferred Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; and Babylon Holdings Class A Ordinary Shares are Converted into Pubco Class B Shares*

As described in Line 15, under section 358(a), each holder's aggregate tax basis in the shares of stock received should equal the aggregate tax basis of the stock surrendered in exchange therefor. To the extent the stock surrendered was acquired at different times or for different prices, the holder should allocate the tax basis in such shares to the stock received in the transaction in a manner that reflects, to the greatest extent possible, "blocks" of stock that were acquired on the same date and at the same price. A "block" of stock is shares of stock purchased at the same time and the same price in a single transaction.

To the extent this is not possible, the basis in the surrendered stock must be allocated to the stock received in the transaction in a manner that minimizes the disparity in the holding periods of the surrendered stock whose basis is allocated to any particular share of stock received, which may result in some shares of the stock received in the transaction having split basis and holding period segments.

Merger Sub Merges with and into Alkuri, with Alkuri Surviving the Merger

The Merger is expected to be treated as a taxable exchange of Merger Sub stock for Alkuri stock, such that the Babylon shareholders' basis in the Alkuri stock received is equal to its cost.

One reasonable method to determine the fair market value of each share of Alkuri stock received in the exchange is to use the mean of the highest and lowest quoted price on October 21, 2021, which is \$9.585 (high of \$9.98 and low of \$9.19).

**Line 17**

Babylon Holdings Class G1 Shares are Converted into Babylon Holdings Class B Ordinary Shares; Babylon Holdings Class B Ordinary Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; Babylon Holdings Series C Preferred Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; and Babylon Holdings Class A Ordinary Shares are Converted into Pubco Class B Shares

Sections 354(a), 358(a), 368(a).

Merger Sub Merges with and into Alkuri, with Alkuri Surviving the Merger

Sections 1001, 1012.

**Line 18**

Babylon Holdings Class G1 Shares are Converted into Babylon Holdings Class B Ordinary Shares; Babylon Holdings Class B Ordinary Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; Babylon Holdings Series C Preferred Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; and Babylon Holdings Class A Ordinary Shares are Converted into Pubco Class B Shares

No loss may be recognized as a result of the section 368(a) recapitalization.

Merger Sub Merges with and into Alkuri, with Alkuri Surviving the Merger

Loss (if any) may be recognized as a result of the Merger.

**Line 19**

Babylon Holdings Class G1 Shares are Converted into Babylon Holdings Class B Ordinary Shares; Babylon Holdings Class B Ordinary Shares are Converted into Pubco Class A Shares on

*a One-for-One Share Basis; Babylon Holdings Series C Preferred Shares are Converted into Pubco Class A Shares on a One-for-One Share Basis; and Babylon Holdings Class A Ordinary Shares are Converted into Pubco Class B Shares*

Basis adjustments are taken into account in the year of the transaction (e.g., 2021 for calendar year taxpayers). See Babylon's Form F-1, filed November 9, 2021.

*Merger Sub Merges with and into Alkuri, with Alkuri Surviving the Merger*

Basis adjustments are taken into account in the year of the transaction (e.g., 2021 for calendar year taxpayers). See Babylon's Form F-1, filed November 9, 2021.