

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 attachment

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See attachment

Blank lines for indicating if a resulting loss can be recognized.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment

Blank lines for providing other information necessary to implement the adjustment.

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 ▶ Denise Sterling

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Date ▶ 3/7/2024

Print your name ▶ Denise Sterling

Title ▶ Chief Financial Officer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Kevin Dougherty		3/7/24		P01271220
Firm's name ▶ Deloitte Tax LLP	Firm's EIN ▶ 86-1065772		Phone no. 415-783-4000	
Firm's address ▶ 555 Mission Street, Suite 1400, San Francisco, CA 94105				

Core Scientific, Inc.
EIN: 85-2941270
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**”),¹ and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Emergence Transactions (as defined below) on certain securities. The information contained in Form 8937 and this attachment does not constitute tax advice and does not purport to take into account any shareholder’s or noteholder’s specific circumstances (including holders that may be subject to special tax rules or that held the relevant claims or equity interests as other than a capital asset). Shareholders and noteholders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the Emergence Transactions and the impact to tax basis resulting from such transactions.

Form 8937, Line 9

Allowed April Convertible Notes Secured Claims²

Allowed August Convertible Notes Secured Claims (together with Allowed April Convertible Notes Secured Claims, the “**Allowed Convertible Notes Secured Claims**”)

Allowed Miner Equipment Lender Secured Claims

Allowed M&M Lien Secured Claims

Allowed Secured Mortgage Claims

Allowed General Unsecured Claims

Allowed Section 510(b) Claims

Existing Common Interests of Core Scientific Inc. (as defined below)

Form 8937, Line 14

On January 23, 2024 (the “**Effective Date**”), Core Scientific, Inc. (“**Core**” or the “**Company**”) and certain Core subsidiaries emerged from bankruptcy in the United States Bankruptcy Court for the Southern District of Texas pursuant to a joint plan of reorganization approved by the court (the “**Plan**”). The new common equity of Core authorized, issued and outstanding as of the Effective Date shall be referenced herein as the “**New Common Interests**.”

¹ Unless otherwise specified herein, all “section” references herein are to the Code.

² Unless otherwise defined herein, capitalized terms used in this attachment have the meaning ascribed to them in the disclosure statement for third amended joint chapter 11 plan of Core Scientific, Inc. and its affiliated debtors filed on November 16, 2023 and the supplement to disclosure statement for fourth amended joint chapter 11 plan of Core Scientific, Inc. and its affiliated debtors (the “Supplemental Disclosure Statement”) filed on December 28, 2023, as applicable.

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On the Effective Date, and in accordance with the Plan, the following transactions (the “**Emergence Transactions**”) occurred, among others:

- Holders of existing common stock issued by Core (the “**Existing Common Interests**”) exchanged their interests for (i) New Common Interests, (ii) new warrants exercisable for the purchase of certain amounts of New Common Interests (the “**New Warrants**”), and (iii) subscription rights (“**Subscription Rights**”) with respect to an equity rights offering.
- Holders of Allowed Convertible Notes Secured Claims exchanged their claims for New Secured Notes, New Secured Convertible Notes, New Common Interests and transferrable Contingent Payment Obligations. Holders of Allowed Convertible Notes Secured Claims who are also Exit Lenders received Takeback Term Loans in lieu of certain New Common Interests.
- Holders of Allowed Miner Equipment Lender Secured Claims exchanged their claims for, depending on their election, either (a) New Common Interests or (b) such holder’s applicable Miner Equipment Lender Takeback Debt, and, for any deficiency (except for a holder electing the Miner Equipment Lender Treatment Election 2), an Allowed Miner Equipment Lender Deficiency Claim treated as an Allowed General Unsecured Claim. For U.S. federal income tax purposes, any amounts ostensibly received in exchange for such “Allowed General Unsecured Claim” should be treated as additional consideration received in exchange for such holder’s Miner Equipment Lender Secured Claim.
- Holders of Allowed M&M Lien Secured Claims exchanged their claims for M&M Lien Takeback Debt.
- Holders of Allowed Secured Mortgage Claims exchanged their claims for either cash or Mortgage Takeback Debt.
- Holders of Allowed General Unsecured Claims exchanged their Claims for New Common Interests and non-transferrable GUC Contingent Payment Obligations.
- Holders of Allowed Section 510(b) Claims exchanged their claims for New Common Interests, New Warrants and possibly, cash.

For ease of description, the debt instruments referenced above received by the Holders of Claims are collectively referred to as “**New Debt.**” In addition, the Claims referenced above (other Section 510(b) Claims) are collectively referred to as “**Allowed Claims.**”

Form 8937, Line 15

Holders of Allowed Claims

The Company intends to treat the exchange of Allowed Claims for cash, New Debt, New Common Interests, Contingent Payment Obligations, and/or GUC Contingent Payment

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Obligations as a taxable exchange subject to section 1001.³ In general, a holder of an Allowed Claim will recognize gain or loss equal to the difference, if any, between (i) the sum of the “issue price” of any New Debt, the fair market value of any New Common Interests, Contingent Payment Obligations, GUC Contingent Payment Obligations, and/or the amount of any Cash received in respect of its Claim (other than any consideration received in respect of a Claim for accrued but unpaid interest and possibly accrued original issue discount (“OID”)) and (ii) such holder’s adjusted tax basis in its Claim (other than any tax basis attributable to accrued but unpaid interest and possibly accrued OID).

It is expected that the issue price of the New Debt will be equal to the principal amount of such debt, other than possibly the Takeback Term Loans for which the issue price may equal or approximate the fair market value of the debt.

A holder of an Allowed Claim generally will have a tax basis in any New Debt, New Common Interests, Contingent Payment Obligations or GUC Contingent Payment Obligations received in satisfaction of its Claim equal to the issue price of such debt or the fair market value of the New Common Interests, Contingent Payment Obligations or GUC Contingent Payment Obligations received.

A holder of an Allowed Convertible Notes Secured Claim may receive additional distributions of New Common Interests in respect of such Claim following the Effective Date pursuant to the Incremental Convertible Noteholders Equity Distribution. Accordingly, it is possible that the recognition of any loss realized by a holder with respect to an Allowed Convertible Notes Secured Claim may be deferred until the condition precedent for such distribution occurs. Alternatively, it is possible that a holder will have additional gain in respect of any additional distributions received. In addition, a holder may have imputed interest income with respect to such distribution and should consult its independent tax advisor to determine the treatment of those additional shares received, including the portion treated as imputed interest.

Holders of Allowed Section 510(b) Claims

The U.S. federal income tax treatment of a holder of Allowed Section 510(b) Claims is complex and will depend on, among other things, whether or not the holder receives cash (in addition to receiving New Common Interests and New Warrants), the nature of such holder’s Claims, whether the holder continues to hold the equity underlying such Claims, whether the holder is the original holder thereof, and the extent to which, if at all, the holder has previously claimed a loss in respect of its Claims. Holders of Allowed Section 510(b) Claims are urged to consult their own tax advisors as to the U.S. federal income tax consequences to them of receiving New Common Interests, New Warrants and, if any, cash, including the extent to which any recovery may or may not be taxable.

³ If, contrary to the Company’s position, any of the Allowed Claims were treated as “securities” for U.S. federal income tax purposes, the U.S. federal income tax consequences to holder thereof would be materially different from that described herein.

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In the case that an exchange of Section 510(b) Claims qualifies as a reorganization under section 368, (i) a holder that does not receive cash would recognize no gain or loss, and (ii) a holder that receives cash would recognize any realized gain (but not loss) to the extent of the cash received, in each case subject to the discussion of imputed interest below in connection with certain amounts received after the Effective Date. A holder's aggregate tax basis in the New Common Interests and New Warrants received will equal such holder's tax basis in its Claim, and, in the case of a holder that receives cash, (i) increased by any gain recognized in the exchange, and (ii) decreased by any cash received. Such aggregate tax basis will be allocated between its New Common Interests and New Warrants based on their relative fair market value. See discussion below under "Existing Common Interests" with respect to how tax basis may be allocated where it is possible that New Common Interests will be received after the Effective Date.

In the case of an exchange that does not qualify as a reorganization under section 368, the exchange will be treated as taxable exchange in accordance with the discussion above under "Holders of Allowed Claims."

In the event of the subsequent disallowance of any Disputed General Unsecured Claim or Disputed Section 510(b) Claim after the Effective Date or in the event that certain New Common Interests otherwise distributable to holders of Unvested RSUs and Stock Options are forfeited by such holders, a holder of a Section 510(b) Claim may receive additional distributions in respect of its Claim. In the event that the exchange by holders of Allowed Section 510(b) Claims for consideration under the Plan does not constitute a reorganization under section 368, it is possible that the recognition of any loss realized by a holder with respect to an Allowed Section 510(b) may be deferred until all Disputed General Unsecured Claims are fully resolved and all such New Common Interests otherwise distributable to holders of Unvested RSUs and Stock Options are either received or forfeited. Alternatively, it is possible that a holder that receives consideration under the Plan in a transaction that is taxable in whole or in part (including, a reorganization under section 368 where cash is received) will have additional gain in respect of any additional distributions received due to the disallowance of a Disputed General Unsecured Claim or forfeiting of New Common Interests by holders of Unvested RSUs or Stock Options. In addition, a holder may have imputed interest income with respect to such additional distributions, with a corresponding increase in the tax basis of the New Common Interests received in the additional distributions.

Holders of Existing Common Interests

The Company intends that the exchange by holders of Existing Common Interests for the consideration under the Plan will qualify as a "recapitalization" under section 368 for U.S. federal income tax purposes. So treated, a holder generally will not recognize any gain or loss upon the exchange of their Existing Common Interests, but may have imputed interest income as discussed below.

In the event of the subsequent disallowance of any Disputed General Unsecured Claim or Disputed Section 510(b) Claim after the Effective Date or in the event that certain New Common Interests otherwise distributable to holders of Unvested RSUs and Stock Options are forfeited by such holders, a holder of Existing Common Interests may receive additional distributions in respect of its Claim. In such instance, a portion of such additional distributions may be treated as

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imputed interest and taxable to the holder, with a corresponding increase in the tax basis of the New Common Interests received in the additional distributions.

A holder's aggregate tax basis in its New Common Interests (other than shares of New Common Interests treated as imputed interest), Subscription Rights (see further discussion below), and New Warrants generally will equal such holder's adjusted tax basis in its Existing Common Interests and allocated among the New Common Interests, Subscription Rights, and New Warrants based upon their relative fair market value. For this purpose, one reasonable approach is to treat the maximum number of shares of New Common Interests that a holder might be entitled to receive after the Effective Date as having been received by such holder at the time of Emergence and adjustments to the such holder's tax basis in shares of New Common Interests should be made if the maximum number of shares of the New Common Interest ultimately is not issued. Holders should consult their independent tax advisor to determine how tax basis should be allocated to the New Common Interests received and to be received after the Emergence Transactions.

Holders of Subscription Rights

The characterization of a Subscription Right and its subsequent exercise for U.S. federal income tax purposes – as the exercise of an option to acquire a portion of the New Common Interests or, alternatively, as an integrated transaction pursuant to which the New Common Interests are acquired directly in the exchange – is uncertain.

Regardless of the characterization of a Subscription Right for U.S. federal income tax purposes, a holder of Existing Common Interests generally would not recognize any gain or loss upon the exercise of such right. A holder's aggregate tax basis in the New Common Interests received upon exercise of a Subscription Right should be equal to the sum of (i) the amount paid for the New Common Interests and (ii) the holder's tax basis, if any, in either (a) the Subscription Rights, or (b) under an integrated transaction analysis, any New Common Interests received pursuant to the exercise of a Subscription Right.

It is uncertain whether a holder that receives but does not exercise its Subscription Rights should be treated as receiving anything of additional value in respect of its Existing Common Interests. If a holder is treated as having received a Subscription Right of value (despite its subsequent lapse), such that it obtains a tax basis in the right, the holder generally would recognize a loss to the extent of the holder's tax basis in the Subscription Right.

Form 8937, Line 16

U.S. federal income tax laws do not define fair market value, except that, as discussed above, the fair market value of any New Debt received is its issue price. Holders of any New Debt, New Common Interests, New Warrants, Subscription Rights, Contingent Payment Obligations, and

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GUC Contingent Payment Obligations should consult their own tax advisors as to the proper calculation of fair market value for U.S. federal income tax purposes.⁴

Form 8937, Line 17

Exchange of Allowed Claims and exchange of Section 510(b) Claims that do not qualify as a reorganization under section 368 – Sections 1001 and 1012

Exchange of Existing Common Interests and exchange of Section 510(b) Claims that qualify as a reorganization under section 368 – Sections 354(a), 358(a)-(b), 368(a), and Treas. Reg. section 1.358-2

Exercise of Subscription Right – Sections 1001 and 1012

Form 8937, Line 18

Exchange of Allowed Claims – Loss may be recognized but subject to potential deferral as described above

Exchange of Section 510(b) Claims – Loss may be recognized but subject to potential deferral if the exchange is not treated as a reorganization under section 368

Exchange of Existing Common Interests – No loss may be recognized

Exercise of Subscription Rights – No loss may be recognized

Lapse of Subscription Rights – Loss may be recognized (assuming that a holder is properly treated as having obtained tax basis in such right).

Form 8937, Line 19

The effective date of the Emergence Transactions was January 23, 2024. The reportable tax year is 2024 with respect to the holders of Allowed Claims, Allowed Section 510(b) Claims and Existing Common Interests that are calendar year taxpayers.

⁴ One reasonable method to determine the fair market value of the New Common Interests is to use the mean of the highest and lowest quoted price on January 24, 2024, which is \$4.69. It is not expected that the Company will provide a formal valuation of the New Warrants, Subscription Rights, Contingent Payment Obligations, and GUC Contingent Payment Obligations. However, the Company may determine value of certain of the instruments as a part of its financial reporting which may become publicly available at a later date.