Form **893** 

(December 2017)

# Report of Organizational Actions Affecting Basis of Securities

See separate instructions	See	separate	instructions
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Dep Inte	artment of	the Treasury ue Service			► See se	parate instructio	ons.		
-	art I	Reportin	g Issuer			-			
1	Issuer's	-						2 Issuer's employer ident	ification number (EIN)
-									- / /
_			Inc. (formerly Millend additional information		erapeutics, Inc.) Telephone No. of	contoct		45-1472 5 Email address of contact	564
3	Name o	of contact for a	additional mormation	4	relephone No. or	contact			
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6	Numbe	r and street (o	r P.O. box if mail is no	t deliv	vered to street ad	dress) of contact	t	7 City, town, or post office, stat	e, and ZIP code of contact
70	00 Shore	eline Court, S	Suite 275					South San Francisco, CA 94	1080
8	Date of	action			9 Classification	and description			
Ju	ine 25, 20	021			Common stock				
	CUSIP		11 Serial number			ker symbol		13 Account number(s)	
		ttachment				formerly MLND			
	art II	-						back of form for additional que	
14		the organ		applic	cable, the date of	the action or the	e date ag	gainst which shareholders' owne	rship is measured for
	the ac	See	attachment.						
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45	Deee								
15			ntage of old basis			le dasis of the se	ecurity ir	n the hands of a U.S. taxpayer as	s an adjustment per
	Share			See a	llachment.				
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16			-	basis	and the data that	supports the ca	aculation	n, such as the market values of s	ecurities and the
	valuai		See attachment.						
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Fo	r Paperw	vork Reductio	on Act Notice, see the	e sep	arate Instruction	s.		Cat. No. 37752P	Form <b>8937</b> (12-2017)

Form 893													Page
Part	[] (	Organ	izational	Action (co	ontinued)								
<b>7</b> Li	ist the	applica	ble Internal F	levenue Co	de sectior	(s) and subsect	ion(s) upon wh	ich the tax t	reatment	t is based ►	See atta	chment.	
8 C	an any	y resultii	ng loss be re	cognized?	See at	tachment.							
) Pi	rovide	any oth	er informatio	n necessar	y to implei	ment the adjust	ment, such as t	the reportab	ole tax ye	ar ► <u>See at</u>	tachment.		
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ign Iere	Signa	Signature ► Pierre Lorenzo							Date ►	7/14/2	021		
	Print		ne ► Pierre			-			Title ►	Corporate	Controller		
Paid Prepa	arer			e preparer's name Preparer's signature					Date		Check i if self-employed	PTIN	
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		•	address <b>&gt;</b>	<u> </u>	1 1 - )	to: Department	<i>(</i> ), <b>–</b>				Phone no.		

#### Tempest Therapeutics, Inc. (formerly Millendo Therapeutics, Inc.) EIN: 45-1472564 Attachment to Form 8937

### Form 8937, Part I, Box 10:

CUSIP number: 87978U108 (formerly 60040X103)

#### Form 8937, Part II, Box 14:

On June 25, 2021, Tempest Therapeutics, Inc. (the "Company" or "Tempest") effected a 1-for-15 reverse stock split of its issued and outstanding shares of common stock (the "Reverse Stock Split"). Pursuant to the Reverse Stock Split, every fifteen (15) shares of issued and outstanding common stock were combined into one (1) share of common stock. The Company did not issue fractional shares in connection with the Reverse Stock Split. Shareholders who were otherwise entitled to fractional shares of common stock were instead entitled to receive a proportional cash payment.

The Reverse Stock Split was effected prior to the consummation of the merger contemplated by the Agreement and Plan of Merger, dated as of March 29, 2021, by and among the Company (formerly Millendo Therapeutics, Inc.), TempestTx., Inc. (formerly Tempest Therapeutics, Inc.), and Mars Merger Corp. ("Merger Sub"), pursuant to which Merger Sub merged with and into TempestTx., Inc., with TempestTx., Inc. surviving (the "Merger"). Accordingly, the Reverse Stock Split did not apply to shares of Company common stock received by Company shareholders in the Merger.

#### Form 8937, Part II, Box 15:

Shareholders are required to allocate their aggregate tax basis in their existing shares of common stock held immediately prior to the Reverse Stock Split among their shares of common stock held immediately after the Reverse Stock Split. Shareholders that have acquired different blocks of common stock at different times or at different prices should consult their own tax advisors regarding the allocation of the tax basis of such shares.

#### Form 8937, Part II, Box 16:

See response to Box 15, above. While the basis "per share" is impacted, the basis of the shareholder's total investment remains unchanged. Shareholders with blocks of pre-split shares of common stock not divisible by fifteen (15) or which reflect pre-split shares of common stock acquired at different times or different prices must replicate such blocks of pre-split shares of common stock in the post-split shares of common stock received pursuant to a formula provided in Treasury regulations that seeks to preserve, to the greatest extent possible, the basis of a particular block of pre-split shares of common stock in one or more post-split shares of common stock received in exchange thereof. This may require the aggregate basis in one block of pre-split

shares of common stock to be allocated to post-split shares of common stock in a manner where some post-split shares of common stock may have split basis and holding period segments.

## Form 8937, Part II, Box 17:

The Reverse Stock Split is a non-taxable recapitalization pursuant to Section 368(a)(1)(E) of the Internal Revenue Code. Section 354(a)(1) provides that, in relevant part, no gain or loss shall be recognized if stock in a corporation is exchanged solely for stock in such corporation in a recapitalization. Section 358(a) provides that, in relevant part, the tax basis of stock in a corporation received in a recapitalization exchange will be the same as the tax basis in the stock exchanged. Tax treatment of the receipt of cash in lieu of fractional stock is tested under Section 302 and will depend on each shareholder's specific facts and circumstances.

#### Form 8937, Part II, Box 18:

Except for shareholders receiving cash in lieu of fractional shares, the Reverse Stock Split is intended to be treated as a recapitalization for U.S. federal income tax purposes. Therefore, shareholders generally should not recognize gain or loss upon the Reverse Stock Split. A shareholder who receives cash in lieu of a fractional share pursuant to the Reverse Stock Split should recognize a capital gain or loss in an amount equal to the difference between the amount of cash received and the holder's tax basis in the shares of common stock surrendered that is allocable to such share. Such capital gain or loss should be a long-term capital gain or loss if the shareholder's holding period for the shares of common stock surrendered exceeded one year at the effective date of the Reverse Stock Split. Shareholders should consult their own tax advisor with respect to the tax consequences resulting from the Reverse Stock Split.

#### Form 8937, Part II, Box 19:

The reportable tax year for reporting the tax effect of the Reverse Stock Split is the taxable year that includes June 25, 2021 (e.g. 2021 for calendar-year taxpayers).