



**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

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ See Attached

Multiple horizontal lines for providing information regarding the recognition of a resulting loss.

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

Multiple horizontal 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 ▶  Date ▶ \_\_\_\_\_

Print your name ▶ **George H Hearn**

Title ▶ **VP-Treasurer**

<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.

# Core-Mark Holding Company, Inc.

Attachment to Form 8937

Date of Organizational Action: September 1, 2021

**Part II, Question 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.**

On September 1, 2021, Core-Mark Holding Company, Inc. ("Core-Mark") (EIN: 20-1489747) merged (the "First Merger") with Longhorn Merger Sub I, Inc. ("Merger Sub I"), a corporation and a direct, wholly-owned subsidiary of Performance Food Group Company ("PFG") (EIN: 43-1983182), with Core-Mark surviving. Immediately following the completion of the First Merger, Core-Mark merged (the "Second Merger," and together with the First Merger, the "Mergers") with Longhorn Merger Sub II, LLC ("Merger Sub II"), a direct, wholly-owned subsidiary of PFG, with Merger Sub II surviving as a wholly-owned subsidiary of PFG. Merger Sub II is disregarded as an entity separate from PFG for U.S. federal income tax purposes. In the Mergers, each Core-Mark stockholder received cash consideration of \$23.875 in cash per share, without interest, and the exchange ratio of 0.44 validly issued, fully paid and nonassessable shares of PFG common stock per share (the "PFG Shares"), for each share of Core-Mark common stock owned by such stockholder (the "Core-Mark Shares"). It is expected that the Mergers, taken together, constitute a single integrated transaction that qualifies as a "reorganization" (a "Reorganization") within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code").

The Mergers, including the consideration received, are more fully described in the Current Report on Form 8-K and the Registration on Form S-4 that have been filed with the Securities and Exchange Commission.

**Part II, Question 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.**

For purposes of this attachment, a "U.S. Holder" is a beneficial owner of Core-Mark Shares that is, for U.S. federal income tax purposes, (i) a citizen or an individual who is a resident of the United States, (ii) a corporation (or other entity that is treated as a corporation) that is created or organized in or under the laws of the United States, or any State thereof, or the District of Columbia, (iii) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) such trust has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes, or (iv) an estate, the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source.

Because the quantitative effect of the Mergers on tax basis can vary from U.S. Holder to U.S. Holder (as defined below), it cannot be expressed as a specific adjustment amount per share or as a percentage of old basis. In general, after performing the calculations described below, a U.S. Holder's aggregate tax basis will either stay the same or be reduced, but it should not increase.

**Part II, Question 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.**

The basis adjustment procedures described below can only be applied after determining the amount of taxable gain to be recognized as a result of the Mergers. These taxable gain calculations and basis adjustment rules should be applied separately to each "block" of PFG Shares that a U.S. Holder held at the time of the Mergers. A "block" of stock is shares of stock purchased at the same time and the same price in a single transaction.

Assuming the Mergers qualify as a Reorganization:

- A U.S. Holder will recognize gain (but not loss) in an amount equal to the lesser of: (i) the amount, if any, by which the sum of the cash (other than cash received in lieu of fractional shares, the treatment of which is set forth below) and the fair market value of the PFG Shares received by such U.S. Holder pursuant to the Mergers on the closing date exceeds such U.S. Holder's adjusted tax basis in such U.S. Holder's Core-Mark Shares exchanged therefor and (ii) the amount of cash received by such U.S. Holder pursuant to the Mergers (including cash received in lieu of fractional shares).
- The aggregate tax basis of the PFG Shares received by a U.S. Holder in the Mergers will be the same as the aggregate adjusted tax basis of such U.S. Holder's Core-Mark Shares exchanged therefor, decreased by the cash received (including any cash received in lieu of a fractional share of PFG Shares) and increased by the amount of any gain recognized by the U.S. Holder.
- A U.S. Holder who receives cash in lieu of a fractional share of PFG Shares generally will be treated as having (i) received the fractional share of PFG Shares pursuant to the Mergers and then (ii) exchanged that fractional share for cash in a redemption by PFG. As a result, assuming that the redemption of the fractional share of PFG Shares is treated as a sale or exchange and not as a dividend (as discussed below), the U.S. Holder generally will recognize capital gain or loss with respect to cash received in lieu of a fractional share of PFG Shares equal to the difference, if any, between the amount of cash received and the tax basis in such fractional share (determined as described above).
- A U.S. Holder's holding period in the PFG Shares received will include the holding period of the Core-Mark Shares exchanged for such PFG Shares.

U.S. Holders should consult with their own tax advisors regarding the tax consequences of the Mergers, including the manner in which cash (including cash received in lieu of fractional shares) and PFG Shares received pursuant to the Mergers is allocated among different blocks of Core-Mark Shares and with respect to identifying the bases or holding periods of particular PFG Shares received in the Mergers.

Cash received by a U.S. Holder that is also the beneficial owner of PFG Shares may be treated under certain circumstances as a dividend for U.S. federal income tax purposes. In general, the

determination of whether any gain recognized will be treated as capital gain or has the effect of a distribution of a dividend depends upon whether and to what extent the exchange reduces the U.S. Holder's deemed percentage stock ownership of PFG (as calculated for U.S. federal income tax purposes). In general, such dividend treatment will not apply to a stockholder in a publicly held corporation, such as PFG, whose relative stock interest is minimal and who exercises no control with respect to corporate affairs. These rules are complex and depend upon the specific factual circumstances particular to each U.S. Holder. Consequently, each U.S. Holder that may be subject to these rules is urged to consult its tax advisor as to the application of these rules to its particular facts.

**Part II, Question 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

It is expected that the Mergers qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

Effect on Holders:

- A. Code Section 302 – Distributions in redemption of stock
- B. Code Section 354(a)(1) – Exchange of stock and securities in certain reorganizations
- C. Code Section 356 – Receipt of additional consideration
- D. Code Section 358 – Basis to distributees
- E. Code Section 1001 – Determination of amount of and recognition of gain or loss
- F. Code Section 1223 – Holding period of property

**Part II, Question 18: Can any resulting loss be recognized?**

If the Mergers qualify as a Reorganization, a U.S. Holder should not recognize any loss as a result of the receipt of PFG Shares in the Mergers, except in the case of cash received in lieu of a fractional PFG Share. A U.S. Holder who receives cash in lieu of a fractional PFG Share will generally be treated as having received such fractional share in the Mergers, and then as having redeemed such fractional share for cash in a transaction in which gain or loss may be recognized.

**Part II, Question 19: Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Mergers occurred on September 1, 2021. The stock basis adjustment and any recognized gain or loss should be reported by a U.S. Holder in the taxable year of the U.S. Holder that includes September 1, 2021.

Pursuant to Section 1.368-3(d) of the Treasury Regulations, you are required to retain information in your permanent records regarding the amount, basis, and fair market value of the stock received in the Mergers, and to make such records available to any authorized Internal Revenue Service officers and employees upon request.

PFG's employer identification number is 54-0402940. Core-Mark's employer identification number prior to the Mergers was 20-1489747. For further information, please contact [ ]. The ticker symbol for PFG Shares is PFGC. The ticker symbol for Core-Mark prior to the Mergers was CORE.

**THE INFORMATION ABOVE IS NOT TAX ADVICE, AND IT IS NOT A COMPLETE ANALYSIS OR DESCRIPTION OF EVERY POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCE OR ANY OTHER TAX CONSEQUENCE OF THE MERGERS. IN ADDITION, THE SUMMARY DOES NOT ADDRESS U.S. FEDERAL INCOME TAX CONSEQUENCES THAT MAY VARY WITH, OR ARE CONTINGENT ON, INDIVIDUAL CIRCUMSTANCES, NOR DOES IT ADDRESS ANY U.S. NON-INCOME, STATE, LOCAL OR NON-U.S. TAX CONSEQUENCES. ACCORDINGLY, EACH HOLDER IS URGED TO CONSULT WITH HIS, HER OR ITS OWN TAX ADVISER TO DETERMINE THE PARTICULAR U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES TO HIM, HER OR IT OF THE MERGERS.**