


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.](#)

18 Can any resulting loss be recognized? ▶ [See Attachment.](#)

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

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 ▶ March 31, 2022
Print your name ▶ **Thomas Catinazzo** 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
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

**Relay Therapeutics, Inc. (“Relay Therapeutics”)
(successor to ZebiAI Therapeutics, Inc. (“ZebiAI”))
EIN: 47-3923475
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”), and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Merger (as defined 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 ZebiAI Capital Stock (as defined below) are encouraged to consult their independent tax advisors regarding the particular consequences of the Merger to them (including the applicability and effect of all federal, state, local and non-U.S. laws). Capitalized terms that are not defined in this Attachment to Form 8937 have the meaning assigned to them under the Merger Agreement (as defined below).

Line 14

On April 22, 2021 (the “Closing Date”), Relay Therapeutics completed the acquisition of ZebiAI by way of two mergers with direct wholly-owned subsidiaries of Relay Therapeutics as follows: (i) Elixir Merger Sub I, Inc. (“First Merger Sub”) merged with and into ZebiAI with ZebiAI continuing as the surviving entity (“First Merger”), and (ii) promptly following the First Merger, ZebiAI merged with and into Elixir Merger Sub II, LLC (“Second Merger Sub”) with Second Merger Sub continuing as the surviving entity (the “Second Merger” and together with the First Merger, collectively, the “Merger”). The Merger was carried out pursuant to an Agreement and Plan of Merger between Relay Therapeutics, First Merger Sub, Second Merger Sub, ZebiAI and Representative, dated April 15, 2021 (the “Merger Agreement”).

As a result of the Merger, each issued and outstanding share of ZebiAI common stock, par value \$0.0001, and Series Seed Preferred Stock, par value \$0.0001, (collectively, “ZebiAI Capital Stock”) was, subject to the terms and conditions of the Merger Agreement, converted into the following:

- (a). Approximately 0.0835 shares of Relay Therapeutics’ common stock, par value \$0.001 (“Relay Stock”);
- (b). Approximately \$0.7529 in cash;
- (c). A contingent right to receive a number of shares of Relay Stock equal to the applicable Per Share Milestone Consideration upon achievement of a Milestone;
- (d). A contingent right to receive a cash payment in an amount equal to the Per Share Earnout Consideration upon the occurrence of an Earnout Trigger; and
- (e). The right to receive a per-share portion of each of the Expense Fund Amount and Adjustment Escrow Amount, each as divided by the fully diluted shares of ZebiAI Capital Stock, when and to the extent such amounts are released.

No holder of ZebiAI Capital Stock was issued a fractional share of Relay Stock in the Merger, but instead, any shares of Relay Stock issuable to a single stockholder were aggregated and then rounded up to the nearest whole number.

Additional details regarding the Merger and a copy of the Merger Agreement can be found in the Current Report on Form 8-K filed by Relay Therapeutics with the U.S. Securities and Exchange Commission on April 16, 2021 (File No. 001-39385), which is available at www.sec.gov.

Line 15

The Merger is intended to qualify as a tax-free reorganization under Section 368(a) of the Code. Provided the Merger qualifies as a reorganization within the meaning of Section 368(a) of the Code, the material U.S. federal income tax consequences to a U.S. holder whose shares are exchanged in the Merger generally will be as follows. U.S. holders that are eligible and do not affirmatively elect out, may be permitted to use the installment method under Section 453 (“Installment Method”) of the Code to report gain recognized in the Merger. *U.S. holders should consult their independent tax advisor to determine the appropriate method for calculating and reporting any gain recognized as a result of the Merger, the availability of the Installment Method, the method for determining their basis in Relay Stock received in the Merger, and the treatment of a portion of the contingent consideration as interest under Section 483 of the Code.*

- a U.S. holder generally will recognize gain (but not loss) in an amount equal to the lesser of (i) the amount of cash received by the U.S. holder (including for this purpose a pro rata portion of the Expense Fund Amount and Adjustment Escrow Amount when and to the extent such amounts are released as well as the Per Share Earnout Consideration when and to the extent such amounts are earned) and (ii) the amount by which the sum of the amount of such cash and the fair market value of the Relay Stock received by the U.S. holder (including the fractional shares of Relay Stock deemed issued in order to round up the shares issued to a holder to the nearest whole number and the Per Share Milestone Consideration when and to the extent such shares are earned) exceeds the U.S. holder’s tax basis in its ZebiAI Capital Stock;
- a U.S. holder will have an aggregate tax basis in the shares of Relay Stock received in the exchange equal to the U.S. holder’s aggregate tax basis in its shares of ZebiAI Capital Stock surrendered, reduced by the amount of cash received, and increased by the amount of any gain recognized (including gain recognized on the fractional shares of Relay Stock deemed issued in order to round up the shares issued to a holder to the nearest whole number), if any, by the U.S. holder in the exchange; and
- the holding period of the shares of Relay Stock received in the Merger will include the holding period of the shares of ZebiAI Capital Stock surrendered in exchange therefor.

If a U.S. holder acquired different blocks of ZebiAI Capital Stock at different times or different prices, the foregoing rules generally will be applied separately with reference to each block of ZebiAI Capital Stock. In particular, in computing the amount of gain recognized, if any, a U.S. holder may not offset a loss realized on one block of shares against the gain realized on another block of shares.

Line 16

See Line 15 above for a general description of the U.S. federal income tax consequences of the Merger for a U.S. stockholder, including the determination of such stockholder’s aggregate basis in any Relay Stock received. For this purpose, the taxable gain (if any) recognized is determined by reference to the fair market value of Relay Stock and the amount of cash received in the Merger. Although U.S. federal income tax rules do not specify how to determine fair market value, one possible approach is to utilize the NASDAQ market closing price on the Closing Date for Relay Stock as an indication of the fair market value. Using

this approach, the fair market value of each share of Relay Stock received in the Merger was \$33.97. Another possible approach is to use the Average Parent Stock Price determined as of the Closing Date in accordance with the Merger Agreement, which was \$32.94. Relay Therapeutics is not taking a position as to the appropriate method for determining the fair market value of each share of Relay Stock received in the Merger on this Form 8937. Other approaches to determine fair market value may also be possible and a U.S. holder of ZebiAI Capital Stock should consult its independent tax advisor regarding the appropriate method for determining fair market value.

Line 17

The Merger is intended to qualify as a reorganization within the meaning of Section 368(a) of the Code. In general, the income tax consequences to the U.S. stockholders are determined under Sections 354, 356, 358, 368, 453, and 1221 of the Code.

Line 18

As described in Line 15, provided the Merger qualifies as a reorganization within the meaning of Section 368(a) of the Code, a U.S. holder will generally not recognize loss on the exchange.

Line 19

The Merger and resulting stock exchange were effective April 22, 2021. Therefore, the reportable tax year is the 2021 calendar year.