

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

18 Can any resulting loss be recognized? ▶ SEE ATTACHED

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

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 ▶ _____

Paid Preparer Use Only	Print your name ▶ CAMERON PFORR	Preparer's signature	Title ▶ CHIEF EXECUTIVE OFFICER	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date		
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

M-tron Industries, Inc.
Distribution of Subscription Rights
Attachment to Form 8937

Disclaimer: The information in this Form 8937 and this attachment does not constitute tax advice and does not purport to take into account the specific circumstances that may apply to particular categories of M-tron Industries, Inc. (“Mtron”) stockholders. Each Mtron stockholder is urged to consult their own tax advisor regarding the consequences of the transactions described herein, including the impact on tax basis resulting therefrom.

PART II

Line 14 – Describe the organizational action and if, applicable, the date of the action or the date against which shareholders’ ownership is measured the action.

On March 30, 2026, Mtron distributed one (1) subscription right (the “Rights”) for each share of common stock owned by holders of record as of March 27, 2026 (the “Record Date”). The Rights were issued as a dividend proportionate to all outstanding shares of Mtron common stock as of the Record Date.

Line 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.

The general rules for allocating tax basis between common stock and rights (such as the Rights) received as a distribution require U.S. taxpayers to allocate the tax basis of their stock between the stock and the rights received. However, there is an exception to this general rule when the fair market value of the rights received is less than 15% of the value of the stock immediately prior to the distribution. Treasury Section 1.305-1(b)(2) states that the holder may elect to either (a) allocate basis between the stock and the Rights or (b) treat the basis of the Rights as zero – unless the Rights are exercised or sold.

Line 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 fair market value of the Rights distributed was estimated to be \$1.5898 per Right (using the Black-Scholes model) and the fair market value of each of common stock was \$66.19 per share, both determined as of March 27, 2026.

The estimate of fair market value of the Rights represents approximately 2.4% of the fair market value of the common stock (\$1.5898 per Right / \$66.19 per share of common stock), which is less than 15%.

Pursuant to Treasury Regulation Section 1.305-1(b)(2), stockholders may treat the Rights as having a basis of zero and retain their full basis in the original common stock.

Line 17 – List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

- Internal Revenue Code Section 305
- Internal Revenue Code Section 307
- Treasury Regulation Section 1.305-1(b)(2)

Line 18 – Can any resulting loss be recognized?

No, the distribution of the Rights is generally a non-taxable event and does not result in the recognition of any loss by stockholders.

Line 19 – Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The distribution of the Rights occurred on March 30, 2026. As such, the distribution would be applicable for the tax year ending December 31, 2026.