

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**

Blank lined area for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ **See attached**

Blank lined area for providing information on loss recognition.

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

Blank lined area for providing other necessary information.

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 ▶ *Andre Petrunoff* Date ▶ *Nov. 30, 2020*

Print your name ▶ *ANDRE PETRUNOFF* Title ▶ *V.P. TAX PLANNING*

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.	

Pfizer Inc.

Distribution of Viatris Inc. Common Stock

Attachment to Form 8937

Disclaimer: The information in 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 Pfizer shareholders. Each Pfizer shareholder is urged to consult his, her or its 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 for the action.

On November 16, 2020 (the “Distribution Date”), Pfizer Inc. (“Pfizer”) distributed 100% of the outstanding shares of common stock of Viatris Inc., formerly known as Upjohn Inc. (“Viатris”), *pro rata* to Pfizer shareholders of record as of the close of business on November 13, 2020 (the “Record Date,” and such distribution, the “Distribution”). In the Distribution, each shareholder who held Pfizer common stock on the Record Date and did not sell them in the “regular way”¹ before the close of business on the Distribution Date received approximately 0.124079 of a share of Viatris common stock for each share of Pfizer common stock owned on the Record Date.

No fractional shares of Viatris common stock were issued. All fractional shares of Viatris common stock that Pfizer shareholders otherwise would have been entitled to receive as a result of the Distribution were aggregated into whole shares and sold on the open market, and the resulting cash proceeds of the sale were paid to such shareholders.

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.

As a result of the Distribution, Pfizer shareholders will be required to allocate their aggregate tax basis in their Pfizer common stock held immediately before the Distribution among the shares of Viatris common stock received in the Distribution (including any fractional share of Viatris common stock for which cash was received) and the Pfizer common stock in respect of which such Viatris common stock was received in proportion to their relative fair market values immediately after the Distribution.

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 U.S. federal income tax laws provide that the allocation of the aggregate tax basis discussed under Line 15 above shall be allocated in the Distribution based on the fair market value of the

¹ Shares of Pfizer common stock that traded in the “regular-way” market on the New York Stock Exchange until the close of business on the Distribution Date traded with an entitlement to shares of Viatris common stock distributed on the Distribution Date.

resulting Pfizer and Viatris shares received. However, the tax law does not provide any further guidance on the determination of fair market value. One method to determine the fair market value is to use the closing prices of the Pfizer and Viatris common stock on the Distribution Date. The adjusted closing price of each share of Pfizer common stock on the Distribution Date was \$35.3869, which was the per share closing price as displayed under the heading “Last Price” on the Bloomberg page for the ticker “PFE.”² The closing price for each share of Viatris common stock on the Nasdaq’s “when-issued” market³ on the Distribution Date was \$15.66, which was the per share closing price as displayed under the heading “Last Price” on the Bloomberg page for the ticker “VTRSV.” Using these prices for purposes of determining fair market value, and the distribution ratio of approximately 0.124079 of a share of Viatris common stock for each share of Pfizer common stock, a Pfizer shareholder’s pre-distribution tax basis in each Pfizer share should be allocated 94.8% to the Pfizer share and 5.2% to the Viatris share (including any Viatris fractional share) received with respect to the Pfizer share.

For example, if a Pfizer shareholder owned a single block of 1,000 shares of Pfizer common stock with a basis of \$10 per share and received 124 shares of Viatris common stock in the Distribution as well as cash for the 0.079 Viatris fractional share, 94.8% of the aggregate tax basis of \$10,000, or \$9,480, would be allocated to the 1,000 shares of Pfizer common stock, resulting in a tax basis of \$9.48 per share of Pfizer common stock, and the remaining 5.2% of the aggregate tax basis, or \$520, would be allocated to the 124.079 shares of Viatris common stock. This results in a tax basis of approximately \$4.19 per share, with approximately \$519.67 allocated to the 124 shares received of Viatris common stock and approximately \$0.33 allocated to the Viatris fractional share in respect of which cash is received.

Pfizer shareholders who acquired blocks of Pfizer common stock at different times or at different prices should perform the foregoing allocation separately with respect to each such block of Pfizer common stock in consultation with their own tax advisors. Other valuation methodologies may exist, and shareholders are urged to consult their tax advisors regarding these basis allocation calculations. Pfizer shareholders are not bound by the approach illustrated above and may, in consultation with their own tax advisors, use another approach in determining fair market values for Pfizer common stock and Viatris common stock.

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

Section 355; Section 358; Section 1001.

Line 18 – Can any resulting loss be recognized?

Generally, no gain or loss will be recognized for tax purposes as a result of the Distribution. A Pfizer shareholder who receives cash in lieu of a fractional share of Viatris common stock will

² The unadjusted closing price of Pfizer common stock on the Distribution Date was \$37.33. The adjusted closing price of Pfizer common stock on the Distribution Date was calculated by subtracting the value of Viatris common stock for each share of Pfizer common stock (*i.e.*, the product of 0.124079 and \$15.66) from the unadjusted closing price of Pfizer common stock on that date.

³ Viatris shares began “regular-way” trading on the Nasdaq on November 17, 2020, the first trading day after the Distribution Date, under the ticker “VTRSV.”

recognize gain or loss equal to the difference between the amount of cash received and the tax basis in the fractional share. The deductibility of capital losses is subject to limitations.

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

The Distribution occurred on November 16, 2020. As a result, the basis adjustments in the shares of Pfizer common stock and Viartis common stock should be reported in the taxable year that includes this date. In the case of shareholders who are calendar year taxpayers, the Distribution is reportable in the tax year ending December 31, 2020.