



**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.

**Sign Here**

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.

DocuSigned by:  
 Signature ▶ *Spencer Lee* Date ▶ 8/16/2021  
 2A1E3D822C4340B...  
 Print your name ▶ Spencer Lee Title ▶ CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	BRYAN L. OBERMEIER	<i>Bryan L. Obermeier</i>	08/14/2021		P01465862
	Firm's name ▶ ANDSERSEN TAX LLC	Firm's EIN ▶ 33-1197384		Phone no. 646-213-5100	
Firm's address ▶ 1177 AVENUE OF THE AMERICAS, 18TH FLOOR, NEW YORK, NY 10036					

**Hims & Hers Health, Inc.**  
**EIN 98-1482650**  
**Attachment to Form 9937**  
**Date of Organizational Action: July 02, 2021**

**The information herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Each shareholder is advised to consult his or her tax advisor regarding the tax treatment of the merger.**

**Form 9937 Part II, Box 14:**

*Parties to the Organizational Action:*

Hims & Hers Health, Inc., a Delaware corporation (“Hims & Hers”), Clear Sub I Inc., a Delaware corporation and a direct, wholly-owned subsidiary of Hims & Hers (“Merger Sub I”), Clear Sub II, LLC, a Delaware limited liability company and a direct, wholly-owned subsidiary of Hims & Hers that is a disregarded entity for federal income tax purposes (“Merger Sub II” and, together with Merger Sub I, the “Merger Subs”), and YoDerm, Inc., a Delaware corporation (“YoDerm”).

*Description of Organizational Action:*

In order to consummate the acquisition of YoDerm by Hims & Hers on July 02, 2021, first, Merger Sub I merged within and into YoDerm, (the “First Merger”) with YoDerm as the surviving corporation as a direct wholly owned corporate subsidiary of Hims & Hers. Upon the transaction, YoDerm was renamed H&H Derm, Inc. (“H&H Derm”). Upon the First Merger, each share of YoDerm was exchanged for an aggregate consideration payable of \$0.968 in cash proceeds and 0.204 shares of Hims & Hers stock. A portion of both the cash and the share consideration was placed in an escrow account that would be released upon certain events.

Pursuant to the First Merger, each holder of a share of YoDerm stock also became eligible to receive its applicable portion of earnout consideration if certain revenue milestones are achieved in the form of cash not to exceed \$1.18 per share (the “Earn Out Shares”).

Second, H&H Derm, Inc., then merged with and into Merger Sub II (the “Second Merger” and, together with the First Merger, the “Transaction”), leaving Merger Sub II as the surviving entity. Upon the completion of the Second Merger, Merger Sub II was renamed H&H Derm LLC. As a result of, and as of the effective time of the Second Merger, H&H Derm, Inc.’s separate corporate existence ceased. All of the shares of H&H Derm, Inc. were cancelled in the Second Merger and exchanged for newly issued LLC interests of H&H Derm LLC.

**Form 9937 Part II, Box 15:**

Hims and Hers intends to report the Transaction steps as integrated steps in a single transaction that qualifies as a forward merger within the meaning of Section 368(a)(1)(A). Hims & Hers and YoDerm have not requested and do not intend to request any ruling from the Internal Revenue Service as to the U.S. federal income tax consequences of the Transaction. Assuming the Transaction qualifies as a reorganization as defined by Section 368:

- No gain or loss should be recognized upon the receipt of a Hims & Hers share in exchange for a YoDerm share. If a holder of YoDerm shares acquired their shares at

different times or at different prices, the shareholder will need to calculate the tax basis and holding period for each Hims & Hers share (or block of shares). A shareholder that also received cash pursuant to the Transaction will recognize gain (but not loss) as discussed further below. A shareholder that also received cash in lieu of fractional shares will recognize gain or loss as discussed further below.

- Each holder of a share of YoDerm stock should be deemed to have exchanged their share of YoDerm stock held immediately before the Transaction for an equivalent value of Hims & Hers stock, cash consideration, and, where applicable, cash received in lieu of a fractional share.
- Each holder's receipt of cash in the Transaction is expected to be treated as having received "other property" (i.e., boot) from Hims & Hers in exchange for stock of YoDerm in the First Merger.
- Pursuant to Section 356(a)(1) each shareholder that received cash pursuant to the Transaction should recognize a gain, if any, up to but not in an amount in excess of the boot.
- Each holder's receipt of cash in lieu of fractional shares is expected to be treated as having received a distribution in redemption of the fractional shares, which may be treated as a taxable sale of their fractional shares for cash or a dividend equivalent transaction.
- Under Section 358, each shareholder that received cash pursuant to the Transaction should have an aggregate basis in the Hims & Hers shares received in the Transaction equal to their basis in the YoDerm shares exchanged therefor (not including that portion of such basis allocated to the fractional share redeemed by Hims & Hers in exchange for cash) decreased by the amount of cash, if any, received in the Transaction, and increased by the amount of gain recognized, if any, as a result of the receipt of such cash.
- Shareholders are urged to consult their tax advisors with respect to the treatment of any subsequent forfeiture of Earn Out Shares.

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

See response to Box 15, above.

**Form 8937 Part II, Box 17:**

Hims & Hers believes that the First Merger and the Second Merger are integrated steps in the Transaction that qualifies as a forward merger under Section 368(a)(1)(A) for U.S. federal income tax purposes. Therefore, the federal tax consequences of the Transaction to the holders of Hims & Hers equity are determined under Sections 354, 356, 358, and 368 of the Code.

Hims & Hers believes that the exchange of cash in lieu of fractional shares will be treated as a "redemption" within the meaning of Section 302(a) of the Code for U.S. federal income tax purposes.

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

Hims & Hers believes that the Transaction steps should be viewed as integrated steps in a single transaction that qualifies as a forward merger under Section 368(a)(1)(A) for U.S. federal income tax purposes.

As described in the response to box 15, assuming that the Transaction is so treated, a holder of Hims and Hers equity will not recognize any loss upon receipt of YoDerm equity in the Transaction, other than with respect to the receipt of cash.

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

The Transaction was effectuated on July 2, 2021. Consequently, the reportable taxable year of the holders of Hims and Hers equity for reporting the tax effect of the Transaction is the taxable year that includes July 2, 2021.

**THE U.S. FEDERAL INCOME TAX CONSEQUENCES SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH STOCKHOLDER SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES THAT MAY APPLY TO SUCH STOCKHOLDER (INCLUDING THE TREATMENT OF PAYMENTS RECEIVED IN CONNECTION WITH THE TRANSACTION, THE ALLOCATION OF SUCH PAYMENTS, AND THE ALLOCATION OF BASIS AND HOLDING PERIOD) AS WELL AS ANY U.S. FEDERAL NON-INCOME, STATE, LOCAL OR FOREIGN TAX CONSEQUENCES THAT MAY APPLY TO SUCH STOCKHOLDER. THE INFORMATION CONTAINED WITHIN THIS FORM DOES NOT CONSTITUTE A TAX OPINION OR TAX ADVICE.**