



## PYROPHYTE

3262 Westheimer Road, Suite 706  
Houston, Texas 77098

August 30, 2024

Attention: U.S. Shareholders of Pyrophyte Acquisition Corp.

### **IMPORTANT TAX NOTICE**

Re: 2023 PFIC Status

**This statement is provided for shareholders who are United States persons for purposes of the U.S. Internal Revenue Code. It is not relevant to other shareholders.**

Pyrophyte Acquisition Corp. (or “the Company”) meets the Internal Revenue Code definition of a passive foreign investment company (“PFIC”) for the taxable year ended December 31, 2023. The Company is hereby making available PFIC Annual Information Statements for Pyrophyte Acquisition Corp. for their taxable years beginning on January 1, 2023 and ending on December 31, 2023 pursuant to the requirements of Treasury Regulation Section 1.1295-1(g)(1).

The PFIC Annual Information Statements contain information to enable you, should you choose, to elect to treat Pyrophyte Acquisition Corp. as a Qualified Electing Fund (“QEF”).

A U.S. shareholder who makes a QEF election for Pyrophyte Acquisition Corp. is required annually to include in his or her income or his or her pro rata share of the ordinary earnings and net capital gains for Pyrophyte Acquisition Corp. The QEF election is made by completing and attaching Form 8621 for each PFIC to your federal income tax return filed by the due date of the return, including extensions.

U.S. shareholders are advised to consult with their tax advisors with respect to the 2023 PFIC Annual Information Statement.

Further information on PFIC rules is available on the internet at the Internal Revenue Service website, including the following pages:

Detailed information about PFICs and the QEF election: <https://www.irs.gov/instructions/i8621>  
Instructions to complete Form 8621: <https://www.irs.gov/pub/irs-pdf/i8621.pdf>  
Form 8621: <https://www.irs.gov/pub/irs-pdf/f8621.pdf>

**THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF PYROPHYTE ACQUISITION CORP. ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER THE UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.**

1) The amount of cash and the fair market value of other property distributed or deemed distributed by Pyrophyte Acquisition Corp. during the Taxable Year are as follows:

Cash: US \$0.00  
Fair Market Value of Property: US \$0.00

2) The Summary of Annual Information of Pyrophyte Acquisition Corp. is as follows:

a) Description of each class of shares – **Class A Non-Redeemable & Redeemable Shares**

b) Total number of shares outstanding at April 28, 2023 and December 31, 2023 year-end:

i) Class A non-redeemable shares at April 28, 2023 - **5,031,250**

ii) Class A redeemable shares at April 28, 2023 - **20,125,000**

iii) Class A non-redeemable shares at December 31, 2023 - **5,031,250**

iv) Class A redeemable shares at December 31, 2023 - **8,973,837**

c) Total Fair Market Value:

i) Total FMV of IPO shares at April 28, 2023 - **US\$ 10.58 per share**

ii) Total FMV of IPO shares at December 31, 2023 - **US\$ 11.00 per share**

3) Any shareholders making a QEF election will be permitted by Pyrophyte Acquisition Corp. to inspect and copy its permanent books of account, records, and such other documents as are maintained by Pyrophyte Acquisition Corp. that are necessary to establish that Pyrophyte Acquisition Corp.'s ordinary earnings and net capital gain, as provided in section 1293(e) of the U.S. Internal Revenue Code, are computed in accordance with U.S. income tax principles, and to verify these amounts and your pro rata share thereof.

\* The Company historically had two classes of ordinary shares, which are referred to as Class A ordinary shares and Class B ordinary shares. Upon the conversion event in April 2023 to convert Class B ordinary shares into Class A ordinary shares, the Company now has Class A redeemable and non-redeemable ordinary shares.

Pyrophyte Acquisition Corp.

Date: August 30, 2024

By:   
Authorized Representative