

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name KRONOS INTERNATIONAL, INC.			2 Issuer's employer identification number (EIN) 22-2949593		
3 Name of contact for additional information ALEXIS THOMASON		4 Telephone No. of contact 972-233-1700		5 Email address of contact athomason@valhi.net	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 5430 LBJ FREEWAY, SUITE 1700			7 City, town, or post office, state, and ZIP code of contact DALLAS, TX 75240-2620		
8 Date of action FEBRUARY 12, 2024		9 Classification and description Debt Exchange (See Attachment)			
10 CUSIP number See Attachment	11 Serial number(s)	12 Ticker symbol		13 Account number(s)	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

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 ▶ See attachment.

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 ▶ See attachment.

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 ▶ See attachment.

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.](#)

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

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

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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 ▶ Kristin McCoy Date ▶ March 26, 2024

Print your name ▶ Kristin McCoy Title ▶ EVP-Global Tax

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.			

KRONOS INTERNATIONAL, INC.
EIN: 22-2949593

ATTACHMENT TO IRS FORM 8937
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

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 Exchange (as defined below) on the tax basis of new notes issued by Kronos International, Inc., a Delaware corporation (“Issuer”), in exchange for certain notes issued by Issuer.

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. Neither Issuer nor any of its subsidiaries provides tax advice to the holders of its notes. Holders are encouraged to consult their own tax advisors regarding the particular consequences of the Exchange to them (including the applicability and effect of all U.S. federal, state and local tax laws and non-U.S. tax laws) and should carefully read the Offering Memorandum (as defined below), noting especially the discussion under the heading “Certain U.S. Federal Income Tax Considerations.” The information provided herein is subject to such discussion in all respects.

Part I, Lines 9 and 10 – Classification and description; CUSIP number.

Old Notes (defined below)	
Description	ISIN/Common Code
3.75% Senior Secured Notes due 2025	XS1680282453 (144A), XS1680281133 (Reg S) 168028245 (144A), 168028113 (Reg S)

New Notes (defined below)	
Description	ISIN/Common Code
9.50% Senior Secured Notes due 2029	XS2763520595 (144A), XS2763521643 (Reg S) 276352059 (144A), 276352164 (Reg S)

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 February 12, 2024, the Issuer issued new 9.50% Senior Secured Notes due 2029 (the “New Notes”) in exchange for outstanding 3.75% Senior Secured Notes due 2025 (the “Old Notes”) and cash (such exchange, the “Exchange”) upon the terms and conditions set forth in the Offering Memorandum dated

January 23, 2024 (as amended or supplemented through the date of action listed herein, the “Offering Memorandum”). For holders of Old Notes that participated in the Exchange (“Holders”) and tendered their Old Notes for exchange prior to an early participation date, the exchange consideration included an additional €50 principal amount of New Notes per €1,000 of Old Notes tendered (the “Early Participation Premium”).

The Issuer intends to take the position that the exchange of a Holder’s Old Notes for New Notes resulted in a significant modification of the Old Notes for U.S. federal income tax purposes. Accordingly, the U.S. federal income tax consequences of the Exchange to a Holder will depend on whether the Exchange is treated as a taxable exchange or as a “recapitalization” for U.S. federal income tax purposes, which in turn will depend on whether the Old Notes and the New Notes constitute “securities” for U.S. federal income tax purposes. The Issuer intends to treat (i) the Old Notes and the New Notes as securities for U.S. federal income tax purposes, and (ii) the exchange of Old Notes to New Notes as a recapitalization for U.S. federal income tax purposes. The following assumes the aforementioned treatment applies.

Part II, 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.

A Holder of Old Notes that exchanges such notes for New Notes and cash pursuant to the Exchange will generally recognize gain, but not loss, in an amount equal to the lesser of (i) the excess of the amount realized by the Holder on the Exchange over the Holder’s adjusted tax basis in the Old Notes exchanged and (ii) the amount of “boot” received in the Exchange. The amount realized by a Holder on the Exchange generally is the sum of the amount of cash received in the Exchange (excluding cash attributable to accrued and unpaid interest on the Old Notes surrendered in the exchange and subject to the discussion regarding the Early Participation Premium under Line 19 below) and the “issue price” of the New Notes received. The amount of “boot” received in the Exchange will generally equal the sum of (i) the amount of cash received in the Exchange (excluding cash attributable to accrued and unpaid interest on the Old Notes surrendered in the Exchange) and (ii) the fair market value of the excess, if any, of the principal amount of the New Notes received in the Exchange over the principal amount of the Old Notes exchanged therefor.

The “issue price” of the New Notes will be reported separately by the Issuer pursuant to Treasury Regulations Section 1.1273-2(f)(9).¹ If a Holder acquired Old Notes at different times or at different prices, such Holder should consult its own tax advisor regarding the manner in which gain or loss should be determined.

A Holder’s initial tax basis in the New Notes received will generally be equal to the adjusted tax basis of the Old Notes surrendered therefor, reduced by the amount of boot received by the Holder, and increased by the amount of gain, if any, recognized by the Holder on the Exchange.

Part II, 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.

¹ Information on the “issue price” of the New Notes will be available at <https://www.kronosww.com/investors-overview/news-releases/>

The aggregate tax basis of the New Notes received by a Holder will be equal to the aggregate adjusted tax basis of the Old Notes surrendered therefor, reduced by the amount of boot received by the Holder, and increased by the amount of gain, if any, recognized by such Holder on the Exchange.

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

Sections 354, 356, 358, 368, 1001, 1012 and 1273 of the Code.

Part II, Line 18 – Can any resulting loss be recognized?

Holders of Old Notes generally may not recognize any loss for U.S. federal income tax purposes as a result of the Exchange.

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

The reportable tax year for the Exchange for each Holder is such Holder's tax year that includes February 12, 2024.

Although the U.S. federal income tax treatment of the receipt of the Early Participation Premium is not entirely clear, the Issuer intends to take the position (to the extent it is required to do so), that the Early Participation Premium should be treated as additional consideration received in exchange for the Old Notes. However, the IRS could take the position that the Early Participation Premium instead should be treated as interest or a separate fee that would be subject to tax as ordinary income. Holders are urged to consult their own tax advisors with respect to the U.S. federal income tax treatment of the Early Participation Premium.