

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Big Poppy Holdings, Inc.		2 Issuer's employer identification number (EIN) 26-0531453	
3 Name of contact for additional information Andrew Fuller	4 Telephone No. of contact 707.636.9735	5 Email address of contact afuller@poppy.bank	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 438 First Street		7 City, town, or post office, state, and ZIP code of contact Santa Rosa, CA 95401	
8 Date of action January 13, 2022		9 Classification and description Non-dividend distribution	
10 CUSIP number n/a	11 Serial number(s) n/a	12 Ticker symbol n/a	13 Account number(s) n/a

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 ▶ **Big Poppy Holdings, Inc. revoked its S-Corporation election with the IRS effective January 1, 2022. Per IRC Sec. 1371(e)(1), "any distribution of money by a corporation with respect to its stock during a post-termination transition period shall be applied against and reduce the adjusted basis of the stock, to the extent that the amount of the distribution does not exceed the accumulated adjustments account..." The Company distributed approximately \$0.60 per share on January 13, 2022, which is considered entirely a reduction of basis under this code section.**

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 ▶ **Any funds received from the distribution which occurred on January 13, 2022 is a reduction of the shareholder's overall basis in the shares. This amount is expected to be approximately \$0.60 per share (\$5,750,000 paid to 9,613,037 shares outstanding at the distribution date of record).**

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 response to question 15.**

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 response to question 14.

Blank lines for providing applicable Internal Revenue Code section(s) and subsection(s).

18 Can any resulting loss be recognized? ▶ There is no loss in this transaction.

Blank lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ While the distribution occurred in a tax year in which the Company was a C-Corporation (2022), the distribution occurred during the one year period beginning with the effective date of the S-Corporation revocation. As noted in question 14, distributions during this period ("post-termination transition period") are non-taxable reductions of basis under IRC Sec. 1371(e)(1).

Blank lines for providing any other information necessary to implement the adjustment.

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 ▶ Andrew D Fuller Date ▶ 03/31/2023
Print your name ▶ Andrew D. Fuller Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Cody Lewis</u>	<u>Cody Lewis</u>	Digitally signed by LewisCP Date: 2023.03.31 16:37:14 -07'00'		<u>P01319227</u>
	Firm's name ▶ <u>Crowe LLP</u>	Firm's EIN ▶ <u>35-0921680</u>		Phone no. <u>916-441-1000</u>	
Firm's address ▶ <u>400 Capitol Mall, Ste 1400 Sacramento, CA 95814</u>					