

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____
IRC Sections 354, 356, 358, and 368(a).

18 Can any resulting loss be recognized? ▶ See attachment.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The merger became effective February 29, 2024; therefore the reportable tax year is 2024.

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 ▶ _____ Date ▶ _____

Paid Preparer Use Only	Print your name ▶	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Kristen Layman	<i>Kristen Layman</i>	1/16/25		P01525476
	Firm's name ▶ ELLIOTT DAVIS, LLC/PLLC			Firm's EIN ▶	57-0381582
	Firm's address ▶ 500 EAST MOREHEAD STREET, SUITE 700 CHARLOTTE, NC 28202			Phone no.	(704) 333-8881

Fundamental Global Inc.

EIN: 46-1119100

Attachment to IRS Form 8937

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

For purposes of this attachment, FG refers to the issuer, Fundamental Global Inc. (successor to FG Group Holdings, Inc.), FGF refers to FG Financial Group, Inc. and FGH refers to FG Group Holdings, Inc. (FEIN: 47-0587703).

Form 8937 Part II, Line 14:

The organizational action was a reorganization pursuant to IRC Section 368(a) for U.S. federal tax purposes in which FGH merged with and into FG Group LLC, with FG Group LLC the survivor. FG Group LLC is newly formed and a wholly owned subsidiary of FGF. The FGH shareholders exchanged each share of FGH common stock (par value \$0.01 per share) into a right to receive one share of FGF common stock (par value \$0.001 per share).

Form 8937 Part II, Lines 15 & 16:

For each FGH shareholder who received solely FGF common stock in the exchange, the aggregate tax basis in the FGF common stock received pursuant to the transaction should equal the aggregate tax basis in the original FGH common stock surrendered in the transaction.

Shareholders should consult with a qualified tax advisor for questions regarding the specific tax treatment of this transaction based on their individual facts and circumstances.

Form 8937 Part II, Line 18:

FGH shareholders who received solely FGF common stock should generally not recognize any gain or loss.