

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Tile Shop Holdings, Inc.		45-5538095	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Mark Davis, Chief Financial Officer	763-852-2978	mark.davis@tileshop.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
14000 CARLSON PARKWAY		PLYMOUTH, MN, 55441	
8 Date of action		9 Classification and description	
December 15, 2025		Reverse Stock Split	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
88677Q208		TTSH	

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 ▶ On December 15, 2026, Tile Shop Holdings, Inc. (the "Company") effected a 1-for-3,000 reverse stock split (the "Reverse Stock Split") of the Company's common stock, par value \$0.0001 (the "Common Stock"). As a result of the Reverse Stock Split, each stockholder of record owning fewer than 3,000 shares of Common Stock immediately prior to the effective time of the Reverse Stock Split became entitled to receive \$6.60, without interest, in cash for each whole share of Common Stock held by such at the effective time of the Reverse Stock Split (the "Cashed-Out Stockholders").
The Company urges stockholders to refer to to the Form 8-K filed by the Company with the U.S. Securities and Exchange Commission on December 26, 2025 and to consult with their own tax advisors regarding the consequences of the Reverse Stock Split, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.

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 ▶ The Reverse Stock Split was intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code").

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 ▶ The aggregate adjusted tax basis of the cash received by a Cashed-Out Stockholder in a Reverse Stock Split should be equal to the cash received.

Company stockholders should consult their own tax advisors regarding the appropriate method for determining their specific tax treatment of the Reverse Stock Split (including but not limited to the computation of gain and tax basis).

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
Sections 354, 358, 361, 368, 1001, 1221, and 1223 are the applicable Code sections upon which the tax treatment of the Reverse Stock Split is based.

18 Can any resulting loss be recognized? ▶ **The Cashed-Out Stockholders generally can recognize a gain or loss upon receipt of cash in the Reverse Stock Split.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
The basis adjustments resulting from the Reverse Stock Split are taken into account in the tax year of a Company stockholder during which the Reverse Stock Split occurred (e.g., 2025 for calendar year taxpayers).

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 ▶ *[Handwritten Signature]* Date ▶ *1-29-26*
Print your name ▶ *Cobell Volmanugh* Title ▶ *CEO*

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.