Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name: Purple Innovation, Inc.			2 Issuer's employer identification number (EIN): 47-4078206
3 Name of contact for additional information: George Ulrich	4 Telephone No. of contact: 801-647-9495		5 Email address of contact: george.u@purple.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact: 4100 North Chapel Ridge Road, Suite 200			7 City, town, or post office, state, and ZIP code of contact: Lehi, Utah 84048
8 Date of action: July 20, 2026	9 Classification and description: 1-for 25 REVERSE STOCK SPLIT OF COMMON STOCK		
10 CUSIP number: 74640Y106	11 Serial number(s):	12 Ticker symbol: PRPL	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 attached

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 attached

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 attached

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 attached

18 Can any resulting loss be recognized? ▶ See attached

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attached

Sign Here

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.

Signature ▶ George Ulrich Date ▶ 08/18/2026

Print your name ▶ George Ulrich Title ▶ VP of Accounting & Financial Reporting

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Frank Lionetti	Frank Lionetti	08/17/2026		P01636767
Firm's name ▶ Baker Tilly Advisory Group, LP			Firm's EIN ▶ 39-0859910	
Firm's address ▶ 3400 N. Ashton Blvd #200, Lehi UT 84048			Phone no. 801-907-4300	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Purple Innovation, Inc.
EIN: 47-4078206
For the Tax Year Ending December 31, 2026
Attachment to Form 8937: 1-for-25 Reverse Stock Split, July 20, 2026

Part II – Line 14: Organizational Action

On July 7, 2026, the Board of Directors of Purple Innovation, Inc. (“Company”) declared a 1-for-25 reverse stock split of all the Company’s Class A and Class B common shares, effective July 20, 2026. Pursuant to the reverse stock split, for every 25 shares of issued and outstanding stock automatically converted into 1 common share. No fractional shares were issued; any fractional share that would otherwise have resulted was rounded up to the nearest whole share at the shareholder level. The total number of authorized shares of capital stock was not affected by the reverse stock split.

Part II – Line 15: Quantitative Effect

Upon the effective date of the reverse stock split, a shareholder is required to allocate the aggregate basis in their shares held immediately pre-split, among the shares held immediately post-split.

A shareholder’s tax basis in 1 share of post-split PRPL common stock received via the reverse stock split would be expected to equal the sum of the shareholder’s tax basis in the 25 shares of pre-split common stock exchanged for such post-split share. If the number of shares of pre-split PRPL common stock held by a shareholder was not evenly divisible by 25, the excess shares were rounded up to the nearest whole number.

Part II – Line 16: Calculation of Change in Basis

A reverse stock split is generally considered a non-taxable transaction under section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended (the “Code”). Under these provisions, a shareholder would not be expected to recognize income, gain, or loss on the stock split (and on any rounding for fractional shares).

The reverse stock split involved the exchange of 25 shares of Company common stock into one share of Company common stock. The market value of the common stock was not applicable in determining the calculation of the stockholder's tax basis in the shares received in the reverse stock split.

For stock held as a capital asset, section 1223 provides that a shareholder’s holding period for shares received in the stock split includes the holding period for the pre-split shares. A shareholder that has acquired different blocks of stock at different prices or times should consult with their tax advisor as some post-split shares may have split basis and holding period segments.

Purple Innovation, Inc.
EIN: 47-4078206
For the Tax Year Ending December 31, 2026
Attachment to Form 8937: 1-for-25 Reverse Stock Split, July 20, 2026

Part II – Line 17: Applicable Code Sections

Section 354; section 358; section 368; section 1001; and section 1223.

Part II – Line 18: Can Loss Be Recognized

Assuming the reverse stock split is treated as a recapitalization within the meaning of section 368(a)(1)(E) for U.S. federal income tax purposes, then a shareholder will not recognize any gain or loss for U.S. federal income tax purposes. No cash was paid in lieu of fractional shares; any fractional share otherwise resulting from the Reverse Stock Split was rounded up to the nearest whole share.

Part II – Line 19: Other Information

The items discussed above are taken into account in the tax year of the shareholder during which the split occurred. For example, in the case of a shareholder who is a calendar year taxpayer, the exchange is reportable in the tax year ending December 31, 2026.

The Company is providing this Form 8937 for informational purposes only and not as legal or tax advice. Shareholders should consult their own tax advisor to determine the income tax consequences of their specific situation.