

Report of Organizational Actions
Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Fossil Group, Inc.		75-2018505	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Randy S. Hyne	(972) 234-2525	warrants@fossil.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	
901 S. Central Expressway		Richardson, TX 75080	
8 Date of action		9 Classification and description	
November 13, 2025		Exchange of 2026 Notes	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
See attachment	N/A	See attachment	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 ► [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](#)

Fossil Group, Inc.

Attachment to Form 8937, Report of Organizational Action Affecting Basis of Securities

The information in this document 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 law and regulations relating to the Transactions (as defined below). The information contained in this document does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to holders of the Old Notes (as defined below). Holders of the Old Notes should consult their own tax advisors regarding the particular tax consequences of the Transactions to them, including the applicability and effect of all U.S. federal, state, and local and non-U.S. tax laws.

Form 8937, Part I, Box 10 and 12

CUSIP number and Ticker symbol

Debt Instrument	CUSIP	Ticker
7.00% Senior Notes due 2026	34988V304	FOSLL
9.50% First-Out First Lien Secured Senior Notes due 2029	34988VAE6 / 34988VAD8	N/A
7.50% Second-Out Second Lien Secured Senior Notes due 2029	34988VAF6	N/A
Common Stock of Fossil Group, Inc.	34988V106	FOSL
Warrants	34988V114	N/A

Form 8937, Part II, Box 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 November 13, 2025 (the “**Closing Date**”), following the occurrence of the “Restructuring Effective Date” in relation to the Restructuring Plan (as defined herein), Fossil Group, Inc. (the “**Company**”) consummated the previously announced offer to exchange (the “**Exchange Offer**”) its 7.00% Senior Notes due 2026 (the “**Old Notes**”) and its concurrent rights offering (the “**Rights Offering**”) pursuant to a restructuring plan under Part 26A of the UK Companies Act 2006 (as amended) (the “**Restructuring Plan**” and together with the Exchange Offer and the Rights Offering, the “**Transactions**”). In connection with the consummation of the Transactions:

- Noteholders that participated in the Rights Offering and Exchange Offer (the “**New Money Participants**”) (i) provided an aggregate of \$32,500,000 of incremental, new money financing in exchange for (x) \$32,500,000 aggregate principal amount of 9.500% First-Out First Lien Secured Senior Notes due 2029 (the “**First-Out Notes**”) and (y) 954,070 shares of common stock, par value \$0.01 (“**Common Stock**”), (ii) exchanged \$120,229,725 aggregate principal amount of Old Notes on a dollar-for-dollar basis for \$120,229,725

aggregate principal amount of First-Out Notes, and (iii) received \$945,946 aggregate principal amount of First-Out Notes as a consent premium pursuant to the terms of the Transactions (the “**Consent Premium**”).

- Noteholders that did not participate in the Rights Offering (the “**Non-New Money Participants**”) (i) received \$29,770,275 aggregate principal amount of Second-Out Second Lien Secured Senior Notes due 2029 (the “**Second-Out Notes**”) on a dollar-for-dollar basis for \$29,770,275 Old Notes held by such Non-New Money Participants, and (ii) received \$53,858 aggregate principal amount of Second-Out Notes as a Consent Premium. Only Non-New Money Participants that tendered their Old Notes in the Exchange Offer and consented to the Restructuring Plan received the Consent Premium.
- Noteholders also received an aggregate total of approximately 3,000,000 warrants (the “**Warrants**”), entitling the holders thereof to purchase either (i) one share of Common Stock for each Warrant held, or (ii) one pre-funded warrant (each, a “**Pre-Funded Warrant**”) for each Warrant held, each such Pre-Funded Warrant entitling the holder thereof to purchase one share of Common Stock.

As a result of the Restructuring Plan, all \$150,000,000 aggregate principal amount of Old Notes outstanding have been cancelled.

The Company has determined that the Transactions constitute a “significant modification” of the Old Notes, within the meaning of Treasury Regulation § 1.1001-3(e). In addition, although the Exchange Offer and Rights Offering are presented from a securities law perspective as two separate but related offers, the Company intends to take the position for U.S. federal income tax purposes that they should be treated as part of a single, integrated offer from the Company to holders as:

- (i) in the case of the New Money Participants, an exchange of Old Notes and cash for the combination of First-Out Notes, Common Stock, and Warrants (the “**First-Out Exchange**”), or
- (ii) in the case of Non-New Money Participants, an exchange of Old Notes for a combination of Second-Out Notes and Warrants (the “**Second-Out Exchange**”)

In addition, the Company intends to take the position that the Consent Premium should be treated as additional consideration received in exchange for the Old Notes.

Other possible characterizations of the Transactions exist, and holders of the Old Notes should consult their own tax advisors to determine the resulting tax consequences of the Transactions to them.

Form 8937, Part II, Box 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 First-Out Exchange and the Second-Out Exchange will each be treated as a fully taxable exchange, unless such exchange qualifies as a “recapitalization” for U.S. federal income tax purposes.

Recapitalization Treatment

Whether the First-Out Exchange or Second-Out Exchange qualifies as a recapitalization for U.S. federal income tax purposes depends on whether the Old Notes and First-Out Notes or Second-Out Notes, as applicable, are treated as “securities” under the relevant provisions of the Code. Neither the Code nor the Treasury regulations define the term security. The determination of whether a particular debt instrument constitutes a “security” depends on an overall evaluation of the nature of the debt, including whether the holder of such debt instrument is subject to a material level of entrepreneurial risk and whether a continuing proprietary interest is intended or not. One of the most significant factors considered in determining whether a particular debt obligation is a security is its original term. In this regard, debt instruments with an average original term of ten years or more generally have qualified as securities, whereas an average original term of less than five years is evidence that the debt instrument is not a security. Nevertheless, some debt instruments with terms of less than five years have been held to be securities. Numerous other factors may be considered in determining whether a debt instrument is a security, including, among others the security for payment, the creditworthiness of the borrower, the subordination or lack thereof to other creditors, the relative amount of debt to equity, the right to vote or otherwise participate in the management of the borrower, whether payments of interest are fixed, variable or contingent, and whether such payments are made on a current basis or accrued. Additionally, the IRS has ruled that where an original debt instrument qualified as a security, a new debt instrument issued in exchange for that original debt instrument may, under certain circumstances, be treated as a continuation of the investment in the original debt instrument and thus also a security (even if the stated term of the new debt instrument is less than five years).

The Company intends to take the position that the Old Notes and Second-Out Notes are treated as “securities” for U.S. federal income tax purposes and that the First-Out Notes are not treated as “securities.”

Holders of the Old Notes should consult their tax advisor regarding the characterization of the Old Notes, the First-Out Notes, and the Second-Out Notes, and the qualification of the exchange as a recapitalization for U.S. federal income tax purposes.

First-Out Exchange

Due to the payment of cash in addition to the exchange of Old Notes in the First-Out Exchange, it is necessary in determining the consequences of a recapitalization and a fully taxable exchange to determine how the cash paid should be taken into account. For example, the cash could be treated as an offset to the value of the investment unit and, in the case of a recapitalization, as an offset to any property that could give rise to taxable gain, i.e., to the so-called “boot” (the “offset

approach”). Or alternatively, for example, it could be treated as a purchase of a proportionate, indivisible portion of each component of the investment unit based on the amount of cash paid relative to the fair market value of the Old Notes exchanged (the “**purchase approach**”). The Company intends to apply the offset approach for its purposes where appropriate. Both of these approaches are discussed below.

Under the offset approach, holders that participate in the First-Out Exchange that qualifies as a recapitalization generally will have an aggregate initial tax basis in all the First-Out Notes received equal to their fair market value, and an aggregate adjusted tax basis in the Common Stock and Warrants received equal to the holder’s adjusted tax basis in the Old Notes, (i) reduced by the fair market value of the First-Out Notes, and (ii) increased by the full amount of cash paid and any gain recognized in the First-Out Exchange.

Under the purchase approach, holders that participate in the First-Out Exchange that qualifies as a recapitalization for U.S. federal income tax purposes generally will have an aggregate initial tax basis in the First-Out Notes received (inclusive of the portion treated as acquired for cash) equal to the sum of (x) the fair market value of the First-Out Notes treated as received in exchange for their Old Notes and (y) the portion of the cash treated as acquiring First-Out Notes (in contrast to the Common Stock and Warrants). A holder’s aggregate adjusted tax basis in the Common Stock and Warrants should equal the holder’s adjusted tax basis in the Old Notes (i) reduced by the fair market value of the First-Out Notes treated as received in exchange for the Old Notes and (ii) increased by any gain recognized in the First-Out Exchange and the portion of the cash treated as paid for the Common Stock and Warrants.

Certain of the above computations refer to “the fair market value of the First-Out Notes” with respect to the recognition of any gain realized and the determination of tax basis. It is possible, and in an analogous situation the IRS has taken the position, that the “issue price” of the First-Out Notes received is the appropriate measure, consistent with the computation of realized gain or loss.

Second-Out Exchange

Holders that participate in the Second-Out Exchange that qualifies as a recapitalization for U.S. federal income tax purposes generally will have tax basis in the Second-Out Notes and Warrants equal to the sum of the holder’s adjusted tax basis in the Old Notes surrendered and any gain recognized.

Fully Taxable Transaction

In the event that the Old Notes do not qualify as “securities” for U.S. federal income tax purposes, both the First-Out Exchange and the Second-Out Exchange will be treated as a fully-taxable exchange.

The U.S. federal income tax consequences of a First-Out Exchange treated as a fully-taxable exchange are not entirely clear. As discussed in the preceding section, there are various possible alternative approaches to how the cash paid should be taken into account. A holder’s aggregate initial tax basis in the First-Out Notes, Common Stock and Warrants received may vary based on the approach. Under the offset approach, a holder’s aggregate initial tax basis will equal the sum of the issue price of all the First-Out Notes and the fair market value of the Common Stock and

Warrants received, whereas under the purchase approach, it will equal the sum of amount of cash paid, the issue price of the First-Out Notes treated as received in exchange for a holder's Old Notes and the fair market value of the Common Stock and Warrants treated as received in exchange for a holder's Old Notes.

In the event that the Second-Out Exchange is treated as a fully-taxable exchange, a holder's initial tax basis in the Second-Out Notes and Warrants received will be equal to the sum of the issue price of all the Second-Out Notes and the fair market value of the Warrants received.

Holders of the Old Notes should consult their own tax advisors regarding the particular tax consequences of the Transactions to them.

Form 8937, Part II, Box 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 basis in a holder's First-Out Notes, Second Out Notes, Common Stock, and Warrants is calculated in the manner described above in Line 15.

The Company intends to take the position that (i) the First-Out Notes were issued together with the Common Stock and Warrants as part of an "investment unit" (within the meaning of Section 1273(c)(2) of the Code) for cash and Old Notes, and (ii) the Second-Out Notes were issued together with the Warrants as part of an "investment unit" for Old Notes.

The Company has determined that neither (i) the investment unit consisting of First-Out Notes, Common Stock, and Warrants, nor (ii) the investment unit consisting of Second-Out Notes and Warrants, were "traded on an established market", within the meaning of Treasury Regulation § 1.1273-2(f), but that the Old Notes were "traded on an established market" based upon sales prices reported on NASDAQ. Accordingly, the issue price of the investment unit consisting of the First-Out Notes, Common Stock, and Warrants is equal to the sum of the cash paid and the fair market value of the Old Notes and the issue price of the investment unit consisting of the Second-Out Notes and Warrants is equal to the fair market value of the Old Notes. The issue price of the First-Out Notes and Second-Out Notes is determined by allocating the issue price of each investment unit to the components based on their respective fair market values.

The Company has determined that the fair market value as of the Closing Date of (i) the Old Notes was \$17.01 per \$25 principal amount of Old Notes and (ii) a share of Common Stock was \$2.10, in each case based on prices reported on NASDAQ on the Closing Date. In addition, although not reported on an exchange, the Company believes that, as of the Closing Date, (i) the fair market value of a Warrant was \$1.61, (ii) the fair market value of the First-Out Notes was 99.95% of their principal amount, and (iii) the fair market value of the Second-Out Notes was 85.71% of their principal amount. In the case of the First-Out Notes and Second Out-Notes, these prices were determined based on sales prices or quotes received from Bloomberg, L.P. during the period ending 15 days after the Closing Date (i.e., consistent with the methodology of Treasury Regulation § 1.1273-2(f)).

Based on these values, the Company determined the issue price of the First-Out Notes and Second-Out Notes as follows (expressed as a percentage of the face amount):

Debt Tranche	Issue Price (%)
First-Out Notes	70.44%
Second-Out Notes	65.47%

The Company's determination of issue price and allocation of issue price between the components of an investment unit will be binding on a holder unless such holder discloses, on a timely-filed U.S. federal income tax return for the taxable year that includes the issue date, that such holder's determination is different from the Company's determination, the reasons for such holder's different determination and, if applicable, how such holder determined the fair market value.

Participants in the Transactions should consult their own tax advisors to determine the tax consequences of the Transactions to them.

Form 8937, Part II, Box 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.

Form 8937, Part II, Box 18

Can any resulting loss be recognized?

If the Transactions qualify as a recapitalization for U.S. federal income tax purposes, no loss would be recognized for U.S. federal income tax purposes.

If the Transactions do not qualify as a recapitalization for U.S. federal income tax purposes, the Transactions may result in a loss to a holder that can be recognized for U.S. federal income tax purposes.

Form 8937, Part II, Box 19

Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The reportable tax year is 2025 with respect to calendar-year taxpayers.