

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Wearable Devices Ltd.		2 Issuer's employer identification number (EIN) N/A	
3 Name of contact for additional information Alon Mualem, CFO	4 Telephone No. of contact	5 Email address of contact alonmualem@wearabledevices.co.il	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 5 Ha-Tnufa Street		7 City, town, or post office, state, and ZIP code of contact Yokne'am Illit, 2066736, Israel	
8 Date of action 10/10/2024		9 Classification and description Reverse Share Split	
10 CUSIP number M97838128	11 Serial number(s)	12 Ticker symbol WLDS	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 ▶ On October 10, 2024, Wearable Devices Ltd. (the "Company") affected a 1-for-20 reverse share split (the "Reverse Split") of the Company's issued and outstanding ordinary shares, no par value per share (the "Ordinary Shares"), and the Company's warrants traded on the Nasdaq Capital Market (the "Warrants"), pursuant to which every twenty Ordinary Shares (the "Old Ordinary Shares") were consolidated into one Ordinary Share (the "New Ordinary Share"), and every twenty Warrants (the "Old Warrants") were consolidated into one Warrant (the "New Warrant"), with all fractional shares of New Ordinary Shares or New Warrants resulting from the Reverse Share Split will be rounded up to the nearest whole share of New Ordinary Share or New Warrant, as applicable. Company Shareholders are urged to refer to Report of Foreign Private Issuer on Form 6-K filed by the Company with the U.S. Securities and Exchange Commission on October 7, 2024, and to consult with their own tax advisors regarding the consequences of the Reverse 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 Share 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"). The aggregate adjusted tax basis of the New Ordinary Shares and New Warrants received by a Company shareholder in the Reverse Split, should be equal to the aggregate adjusted tax basis of the Shares of Old Ordinary Shares and Old Warrants, as applicable, exchanges therefor. Company shareholders that acquired Ordinary Shares or Warrants at different times or at different prices must allocate such adjusted tax basis with respect to each block of Shares of Old Ordinary Shares or Old Warrants surrendered. The Reverse Share Split had no effect on the total basis in New Ordinary Shares and New Warrants received in the Reverse Share Split and will be equal to such Company shareholder's basis in the Old Ordinary Shares and Old Warrants, as applicable, surrendered in the Reverse Share Split.

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 New Ordinary Shares and New Warrants received by a shareholder in the Reverse Split should be equal to the aggregate adjusted tax basis of the Old Ordinary Shares and Old Warrants, as applicable exchanged therefor. Company shareholders that acquired Ordinary Shares or Warrants at different times or at different prices must allocate such adjusted tax basis with respect to each block of Old Ordinary Shares or Old Warrants, as applicable, surrendered. Company shareholders should consult their own tax advisors regarding the appropriate method for determining their specific tax treatment of the Reverse Share 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 Split is based.**

18 Can any resulting loss be recognized? ▶ **Company shareholders generally cannot recognize any gain or loss upon receipt of New Ordinary Shares or New Warrants in the Reverse Split.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **The basis adjustments resulting from the Reverse Share Split are taken into account in the tax year of a of a Company shareholder during which the Reverse Split occurred (e.g., 2024 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 ▶  Date ▶ _____

Print your name ▶ **Alon Mualem** Title ▶ **Chief Financial Officer**

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.			