

► See separate instructions.

Form **8937** (12-2017)

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 attachment](#)

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 ► [See attachment](#)

**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 ►

Print your name ► **Nancy Garg**

Date ►

Title ► VP, Tax

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

Firm's name ▶

Firm's EIN ►

Firm's address ►

Phone no.

Line 14:

Central Garden & Pet Company (“Central” or the “Company”) is a publicly traded Delaware corporation. On February 8, 2024, Central paid a pro rata stock dividend of Class A common stock (“Class A Stock”) in respect of its outstanding shares of common stock (“Common Stock”), Class A Stock and Class B stock (“Class B Stock”). For every four shares of Central Common Stock, Class A Stock or Class B Stock owned by a shareholder, the shareholder received one share of the newly issued Class A Stock. Central paid cash in lieu of any fractional shares of Class A Stock a shareholder was entitled to receive. The first ex-dividend trading date of the Central stock was February 9, 2024. (The shares of Common Stock and the Class A Stock are publicly traded; the shares of Class B Stock are not traded and automatically are converted to Common Stock upon disposition.)

Line 15:

Central intends to treat the stock dividend as a non-taxable distribution pursuant to Section 305 of the Code. Accordingly, a shareholder’s total tax basis in the Central Class A Stock received in the distribution (the “New Stock”) and the Central Common Stock, Class A Stock or Class B Stock in respect of which the distribution was made (the “Old Stock”), including any Class A Stock deemed to be received and redeemed for cash, will be the same as the tax basis of the Old Stock immediately prior to the distribution.

To the extent cash was received in respect of fractional share entitlements, the affected shareholder will be treated as exchanging such fractional shares deemed to have been distributed for the cash received in lieu of such fractional shares. Pursuant to Section 302, shares of a corporation transferred by a shareholder to the issuing corporation in exchange for property is treated as either an exchange pursuant to Section 1001 or as a Section 301 distribution of property. Central intends to report the distribution as an exchange pursuant to Section 1001 as being “not essentially equivalent to a dividend” under Section 302(b)(1). However, whether the receipt of cash in lieu of fractional shares in this case is treated as a Section 1001 exchange or a Section 301 distribution is dependent upon the specific facts and circumstances of the individual shareholder receiving the cash in lieu of fractional shares. The receipt of cash in lieu of fractional shares may qualify for sale/exchange treatment under Section 302(b) for some shareholders and as a distribution under Section 301 for other shareholders. (Shareholders receiving cash in lieu of fractional shares should consult a tax advisor with respect to the application of Section 302 in their particular situation.)

Line 16

Section 307 of the Internal Revenue Code requires that the tax basis of each lot of Old Stock on which the New Stock dividend was paid be allocated between such Old Stock and such New Stock based on the relative fair market values, at the time of the distribution, of the shares of such Old Stock and such New Stock.

Based on the ex-dividend trading closing prices of the Common Stock and the Class A Stock on February 9, 2024 (and the fact that the non-traded Class B Stock automatically converts to Common Stock upon a sale and is thus valued the same as the Common Stock), Central believes that, in allocating the pre-dividend tax basis in the Old Stock between the Old Stock and New Stock after the dividend, the shareholders should use the following as the fair market values of the Common Stock, Class A Stock and Class B Stock:

Common Stock \$41.43 per share

Class A Stock \$35.90 per share

Class B Stock \$41.43 per share

Line 17:

Sections 301, 302, 305, 307 and 1001 of the Internal Revenue Code.

Line 18:

No loss will be recognized by a Central shareholder other than potentially a loss in the exchange of fractional shares for cash. Any such loss will be recognized.

Line 19:

For a holder of Central shares whose tax year is the calendar year, the reportable tax year is the year ending December 31, 2024.

The information in this document is intended to comply with IRC Section 6045B. However, the information in this document does not constitute tax advice and is not intended or written for the purpose of avoiding penalties under the IRC. It does not purport to be complete or to describe the consequences that apply to particular categories of Central shareholders (e.g., it does not specifically address Central shareholders that acquired lots of Central shares at different times and prices). Central shareholders are encouraged to consult with their tax advisors for questions on their own specific tax position.