

Report of Organizational Actions
Affecting Basis of Securities

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name CareCloud, Inc		2 Issuer's employer identification number (EIN) 22-3832302	
3 Name of contact for additional information Norman S. Roth	4 Telephone No. of contact 732-873-5133, ext. 134	5 Email address of contact nroth@carecloud.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 Clyde Road		7 City, town, or post office, state, and ZIP code of contact Somerset, NJ 08873	
8 Date of action December 30, 2025		9 Classification and description Series B Cumulative Redeemable Perpetual Preferred Stock Dividend	
10 CUSIP number 14167R308	11 Serial number(s) N/A	12 Ticker symbol CCLDO	13 Account number(s) 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 ► During the year 2025, pursuant to the terms of the Series B Cumulative Redeemable Perpetual Preferred Stock, a monthly cash distribution at an annual rate of 8.75% was made to all holders of record as of each month end during 2025. The dividends were suspended on 12/12/2023 for 14 months but they resumed starting with the payment due on February 15, 2025 and have continued for the rest of the year.

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 cash dividend payment described on line 14 above should be considered a non-dividend distribution of the Series B Cumulative Redeemable Perpetual Preferred Shareholders due to the Company's negative accumulated earnings and profits. Accordingly, the amount distributed is generally anticipated to represent a return of the shareholder basis to the extent thereof. Once all shareholder basis has been returned, any distribution in excess of the shareholder basis should be considered a gain on the sale of security pursuant to Internal Revenue Code Section 301(c)(2) and 301(c)(2) and 301(c)(3) and the regulations thereunder. As such, shareholders should consult their tax advisors to determine the tax implications of the non-dividend distributions on their basis in the Company's Series B Cumulative Redeemable Perpetual Preferred Stock.

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 monthly cash distribution described in Line 14 above is not from the Company's current or accumulated earnings and profits pursuant to the Internal Revenue Code and Regulations. As such, the distributions should be considered a non-dividend distribution to the Series B Cumulative Redeemable Perpetual Preferred shareholders and therefore a reduction in the basis of all shareholders of record as of each month end.

Part II **Organizational Action (continued)**17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► Internal Revenue CodeSection 301 and the regulations thereunder.18 Can any resulting loss be recognized? ► Not applicable19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► Not applicable

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 ►



Date ►

1/30/25Print your name ► **Norman S. Roth**Title ► **Interim CFO and Corporate Controller**

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.