

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
ARCA biopharma, Inc.		36-3855489	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Jeff Dekker	(720) 940-2100	accounting@arcabio.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	
10170 Church Ranch Way #100		Westminster, CO 80021	
8 Date of action		9 Classification and description	
8/26/2024		Common Stock \$0.001 par value	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
00211Y506		ABIO	

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 ▶ A Special Dividend was declared by ARCA biopharma, Inc.'s Board of Directors on August 16, 2024, in connection with the previously announced merger (the "Merger") with Oruka Therapeutics, Inc ("Oruka"), pursuant to the Agreement and Plan of Merger and Reorganization, dated April 3, 2024. The special cash dividend (the "Special Dividend") equals \$1.613 per share of ARCA's common stock, payable on August 28, 2024, to ARCA's stockholders of record as of August 26, 2024.

Because the Special Dividend exceeds 25% of ARCA's stock price on the declaration date, it is subject to an ex-dividend date of one business day after the payment date pursuant to the rules of The Nasdaq Stock Market LLC ("Nasdaq"). Accordingly, Nasdaq has set August 29, 2024 as the ex-dividend date for the Special Dividend.

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 distribution of the Special Dividend of \$1.613 per share should be treated first as a dividend to the extent of ARCA's current and accumulated earnings and profits, of which there are none as of this filing and none are expected in the remainder of 2024. Therefore, this Special Dividend would be a non-taxable return of capital to the extent of the U.S. holder's basis in its ARCA common stock, and then as capital gain from the sale or exchange of ARCA common stock with respect to any remaining value. Such capital gain will be long-term capital gain if the U.S. holder's holding period in the ARCA common stock exceeds one year at the time of the special cash dividend.

ARCA currently has an accumulated deficit and expects additional losses in the current period. Thus, ARCA expects most or all of the distribution of the Special Dividend to be treated as other than a dividend for U.S. federal income tax purposes.

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 for each share of common stock held by a stockholder would be reduced by the \$1.613 per share Special Dividend.

