



**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 ATTACHED STATEMENT

Multiple horizontal lines for providing the applicable Internal Revenue Code section(s) and subsection(s).

18 Can any resulting loss be recognized? ► SEE ATTACHED STATEMENT

Multiple horizontal lines for providing information regarding any resulting loss.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► SEE ATTACHED STATEMENT

Multiple horizontal lines for providing any other information necessary to implement the adjustment.

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 ► 10/31/2022  
Print your name ► JUDY SCARABELLO Title ► VP TAX

<b>Paid Preparer Use Only</b>	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.			

**ADEIA INC. (FORMERLY KNOWN AS XPERI HOLDING CORPORATION) (THE "COMPANY")**  
**EIN: 84-4734590**

**ATTACHMENT TO FORM 8937 – PART II**  
**REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES**

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The information contained herein does not constitute tax advice and is not intended or written to be used for the purpose of avoiding penalties under the Internal Revenue Code of 1986, as amended. In addition, this information does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders.

Shareholders are urged to consult their own tax advisors regarding the particular consequences to them of the organizational action described herein, including the applicability and effect of all U.S. federal, state and local, and non-U.S. tax laws, and for advice on how to determine the appropriate allocation of basis in their specific situations.

**Line 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 1, 2022, the Company distributed, on a pro rata basis, 100 percent of the outstanding shares of the common stock of Xperi Inc. to holders of the Company's common stock as of the close of business on the record date of September 31, 2022 (the "Record Date"), except that any fractional shares of Xperi Inc. common stock that Company shareholders otherwise would have been entitled to receive were aggregated and sold in the open market, with the aggregate net cash proceeds distributed to those shareholders who otherwise would have been entitled to receive such fractional shares (the "Distribution"). Each Company stockholder of record received four shares of Xperi Inc. common stock for every ten shares of Company common stock that it held on the Record Date. Following the Distribution, Xperi Inc. is now an independent public company with its common stock listed under the symbol "XPER" on the New York Stock Exchange ("NYSE"), and the Company retains no ownership interest in Xperi Inc. Effective at the open of business on October 3, 2022, the Company's shares of common stock began trading on the Nasdaq Global Select Market ("Nasdaq") under the new ticker symbol "ADEA."

**Line 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.**

As a result of the Distribution, Company shareholders that received Xperi Inc. common stock in the Distribution are required to allocate the aggregate tax basis in their shares of Company common stock with respect to which the Distribution was made among (i) such shares of Company common stock and (ii) their shares of Xperi Inc. common stock received in the Distribution (including any fractional share of Xperi Inc. common stock for which cash was received), in proportion to the respective fair market values of such shares.

**Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market value of securities and the valuation date.**

While U.S. federal income tax law requires that the allocation of the aggregate tax basis discussed under Line 15 be based on the respective fair market values of the resulting Company and Xperi Inc. common shares held following the Distribution, the tax law does not provide any further specific guidance on the determination of such fair market values. Shareholders are encouraged to consult with their own tax advisors to determine what measure of fair market value is appropriate for these purposes.

One possible method for determining the fair market values is to utilize the closing trading prices of the shares of Company common stock (on the Nasdaq) and Xperi Inc. (on the NYSE) on October 3, 2022, the first trading day after the Distribution, which were \$7.19 and \$14.97, respectively. Based on these prices and the distribution ratio of four shares of Xperi Inc. common stock for every ten shares of Company common stock, a shareholder's aggregate pre-Distribution tax basis in Company common stock would be allocated approximately 45.44% to the Xperi Inc. common stock received in the Distribution and approximately 54.56% to the Company common stock.

Below is an example of the basis allocation described in Line 15 using the valuation method described above, which illustrates how the combined basis of the shares of Company common stock and Xperi Inc. common stock (held immediately after the Distribution) after such allocation equals the basis of the shares of Company common stock with respect to which the Distribution was made.

- Assumptions:
- Shares of pre-Distribution Company common stock owned: 10
  - Shareholder's aggregate basis in such shares of Company common stock: \$200 (i.e., assumed to be \$20 per share)
  - Shares of Company common stock owned immediately after the Distribution: 10
  - Shares of Xperi Inc. common stock received in the Distribution: 4

	Number of Shares Owned Post-Distribution (A)	Assumed Pre-Distribution Basis (B)	First Day Closing Price (C)	FMV of Shares Owned Post-Distribution (D) = (A) x (C)	Percentage of Total FMV (E) = (D)/\$131.78	Allocated Tax Basis (F) = (B) x (E)	Allocated Tax Basis per Share (G) = (F)/(A)
Company common stock (ADEA)	10	\$200.00	\$7.19	\$71.90	54.56%	\$109.12	\$10.91
Xperi Inc. common stock (XPER)	4		\$14.97	\$59.88	45.44%	\$90.88	\$22.72
Total				\$131.78	100.00%	\$200.00	

**Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

The applicable Internal Revenue Code sections upon which the tax treatment is based are sections 355, 358, and 1001.

**Line 18. Can any resulting loss be recognized?**

No loss may be recognized by Company shareholders on the receipt of Xperi Inc. common stock in the distribution. A Company shareholder who receives cash in lieu of a fractional share of Xperi Inc. common stock may recognize gain or loss equal to the difference between the amount of cash received and the tax basis in the fractional share.

**Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Distribution was effective on October 1, 2022. For calendar year stockholders, the reportable tax year is 2022. For stockholders reporting taxable income on a basis other than calendar year, the reportable tax year is the stockholder's tax year that includes October 1, 2022.