

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](#)

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 ▶ /s/ Robert Andersen Date ▶ 6/11/2020

Paid Preparer Use Only	Print your name ▶ <u>Robert Andersen</u>	Preparer's signature	Title ▶ <u>CFO</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date		
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Xperi Corporation
Exchange of Xperi Corporation Common Stock for
Xperi Holding Corporation Common Stock
Attachment to IRS Form 8937

Part II:

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 December 18, 2019, Xperi Corporation ("XRAY") and TiVo Corporation ("TWOLF") entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") to effectuate an all-stock, merger of equals strategic combination of their respective businesses. Pursuant to the Merger Agreement, XRAY and TWOLF formed XRAY-TWOLF HoldCo Corporation ("HoldCo"). HoldCo, in turn, formed two wholly-owned subsidiaries: (i) XRAY Merger Sub Corporation ("XRAY Merger Sub") and (ii) TWOLF Merger Sub Corporation ("TWOLF Merger Sub").

On June 1, 2020 (the "Exchange Date"), (i) XRAY Merger Sub merged with and into XRAY, with XRAY surviving (the "XRAY Merger") and (ii) TWOLF Merger Sub merged with and into TWOLF, with TWOLF surviving (the "TWOLF Merger" and, together with the XRAY Merger, the "Mergers"). Pursuant to the Mergers, (i) each issued and outstanding share of XRAY common stock was converted into one (1) share of HoldCo common stock (CUSIP Number 98390M103) (the exchange of XRAY common stock for HoldCo common stock is hereinafter referred to as the "Exchange") and (ii) each issued and outstanding share of TWOLF common stock was converted into zero point four five five (0.455) shares of HoldCo common stock, with cash paid in lieu of fractional shares of HoldCo common stock. As of June 1, 2020, the name of HoldCo had changed from XRAY-TWOLF HoldCo Corporation to Xperi Holding Corporation.

Shareholders are urged to refer to the *Material U.S. Federal Income Tax Consequences of the Mergers* section of the Form S-4 originally filed with the Securities and Exchange Commission on February 18, 2020 (File No. 333-236492), as amended and supplemented through the date hereof, and to consult with their own tax advisor regarding the consequences of the Exchange, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.

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.

The XRAY Merger is intended to be a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”) or a transaction qualifying for non-recognition of gain or loss under Section 351 of the Code. The aggregate tax basis of the HoldCo common stock received in the XRAY Merger by an XRAY shareholder should be the same as the aggregate tax basis of the XRAY common stock surrendered in exchange therefor and should be allocated pro rata across the shares of HoldCo common stock received such that each share of HoldCo common stock received should have an identical, averaged basis, under Section 358(a) of the Code and Treas. Reg. §1.358-2(b)(2).

Line 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.

An XRAY shareholder’s aggregate tax basis in HoldCo common stock is the same as such shareholder’s aggregate tax basis in the XRAY common stock surrendered in exchange. A shareholder’s tax basis in each individual share of HoldCo common stock is determined by allocating the aggregate tax basis pro rata across all shares of HoldCo common stock received, hence each share of HoldCo common stock in the hands of such shareholder should have an identical, averaged basis.

As an example, assume an XRAY shareholder has an aggregate \$100 basis in 50 shares of XRAY common stock. Following the XRAY Merger, the XRAY shareholder should have an aggregate \$100 basis in 50 shares of HoldCo common stock, and a \$2 basis in each individual share of HoldCo common stock.

Shareholders should consult their own tax advisors regarding the appropriate method for determining fair market values and the specific tax treatment of the XRAY Merger (including but not limited to the computation of gain and tax basis).

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

The applicable Code sections upon which the tax treatment of the XRAY Merger is based are Sections 351, 358(a) and 368(a).

Line 18. Can any resulting loss be recognized?

The XRAY Merger is intended to be a “reorganization” within the meaning of Section 368(a) of the Code or a transaction qualifying for non-recognition of gain or loss under Section 351 of the Code. Accordingly, an XRAY shareholder generally should not recognize any loss upon receipt of the HoldCo common stock in the Exchange.

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

The stock basis adjustments are taken into account in the tax year of an XRAY shareholder during which the XRAY Merger occurred (e.g., 2020 for calendar year taxpayers).