

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I	Reporting Issuer
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1 Issuer's name		2 Issuer's employer identification number (EIN)	
ADTRAN Holdings, Inc.		87-2164282	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Donald C. Toney, Jr.	(256) 963-8000	chris.toney@adtran.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	
901 Explorer Boulevard		Huntsville, AL 35806	
8 Date of action		9 Classification and description	
July 8, 2022		Merger/ Stock Exchange	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
00486H105		ADTN	

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 ► [See attachment.](#)

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 ► [See attachment.](#)

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 ► [See attachment.](#)

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.

Signature  Mike Foliano (Aug 22, 2022 14:20 CDT)

Date ► Aug 22, 2022

Print your name ► Michael K. Foliano

Title ► Chief Financial Officer

**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.	
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ADTRAN Holdings, Inc.
Exchange of ADTRAN Common Stock for HoldCo Common Stock
Attachment to 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 July 8, 2022, pursuant to the Business Combination Agreement, dated as of August 30, 2021, by and among ADVA Optical Networking SE, a company organized and existing under the laws of Germany ("ADVA"), ADTRAN, Inc., a Delaware corporation ("ADTRAN"), Acorn HoldCo, Inc., a newly-formed Delaware corporation and wholly-owned subsidiary of ADTRAN ("HoldCo"), and Acorn MergeCo, Inc, a newly formed Delaware corporation and a wholly-owned subsidiary of HoldCo ("Merger Sub"), (the "Business Combination Agreement"), Merger Sub merged with and into ADTRAN, with ADTRAN surviving as a direct, wholly-owned subsidiary of HoldCo (the "Merger"), pursuant to which each outstanding ADTRAN share was converted into the right to receive one HoldCo share.

Following the Merger and pursuant to the Business Combination Agreement, on July 15, 2022, ADVA became a direct subsidiary of HoldCo through an exchange offer (the "Exchange Offer" and together with the Merger, the "Business Combination"), pursuant to which HoldCo acquired approximately 65.43% of the ADVA shares at an exchange rate of one ADVA share for 0.8244 HoldCo shares.

Shareholders are urged to refer to the *Material U.S. Federal Income Tax Considerations* section of the Form S-4 filed with the Securities and Exchange Commission on September 1, 2021 (File No. 333-259251), as amended, and to consult with their own tax advisor regarding the consequences of the Business Combination, 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.

Consistent with the S-4, the Merger is intended to qualify as a "reorganization" within the meaning of Section 368 of the Internal Revenue Code (the "Code"), and the Merger, taken together with the Exchange Offer, is intended to qualify as an "exchange" under Section 351 of the Code. The aggregate tax basis of the HoldCo common stock received in the Merger by an ADTRAN shareholder should be the same as the aggregate tax basis of the ADTRAN common stock surrendered in exchange therefor pursuant to Section 358(a) of the Code. The basis in each share of HoldCo common stock received in the Merger should be equal to the basis of the share exchanged therefor pursuant to Treasury Regulations §1.358-2(a)(2). Shareholders should consult their own tax advisors regarding their specific tax treatment of the Merger, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.

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.

The adjusted tax basis of each share of HoldCo common stock received in the Merger should be equal to the adjusted tax basis of the share of ADTRAN common stock exchanged therefor. Shareholders should consult their own tax advisors regarding their specific tax treatment of the Merger, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.

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 Business Combination is based are Sections 351, 354, 358(a) and 368(a).

Line 18. Can any resulting loss be recognized?

The Business Combination is intended to qualify for non-recognition of gain or loss under Sections 354 and 351 of the Code. Accordingly, an ADTRAN shareholder should not recognize any loss upon receipt of the HoldCo common stock in the Merger.

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 ADTRAN shareholder during which the Merger occurred (e.g., 2022 for calendar year taxpayers).

Adtran Form 8937 combined

Final Audit Report

2022-08-22

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