► See separate instructions.

1 Issuer's name			2 Issuer's employer in	dentification number (EIN)	
Hanover Bancorp, Inc.			01.5	224400	
3 Name of contact for ad	ditional information 4		81-3324480 5 Email address of contact		
Brian K. Finneran		(516) 548-8500	bfinneran@hanoverb	ank.com	
6 Number and street (or I	P.O. box if mail is not de	elivered to street address) of contac	t 7 City, town, or post office	or post office, state, and ZIP code of contact	
80 East Jericho Turnpi	ke		Mineola, NY 11501		
8 Date of action	*	9 Classification and description			
May 26, 2021	1	Common Stock	1		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)		
410710 107 Part II Organizati	anal Action Attack	- 4 - 11 - 1 - 1 - 1 - 1 - 1 - 1 - 1			
		additional statements if needed plicable, the date of the action or the			
15 Describe the quantita share or as a percent	tive effect of the organi age of old basis ► <u>See</u>	zational action on the basis of the s Attachment to Form 8937	ecurity in the hands of a U.S. taxpay	er as an adjustment per	
	ion of the change in bas e Attachment to Form	sis and the data that supports the ca 8937	alculation, such as the market value	a of securities and the	
For Paperwork Reduction	Act Notice, see the s	eparate Instructions.	Cat. No. 37752P	Form <b>8937</b> (12-2017	

	II Organizational Action (contin	wed)		Pa
	List the applicable Internal Revenue Code se	ction(s) and subsection(s) upon whic	h the tax treatment	is based 🕨
	See Attachment to Form 8937			
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	Can any resulting loss be recognized?  Second	ee Attachment to Form 8937		
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	Provide any other information necessary to i	mplement the adjustment, such as th	ie reportable tax ye:	ar See Attachment to Form 8937
-				
		}		
	Under penalties of perjury, I declare that I hav	e examined this return; including accomp	anying schedules and	statements, and to the best of my knowled;
	beller, it is true, correct, and complete. Declara	e examined this return, including accomp tion of preparer (other than officer) is base	anying schedules and	statements, and to the best of my knowledg which preparer has any knowledge.
gn	beller, it is true, correct, and complete. Declara	e examined this return, including accomp tion of preparer (other than officer) is base	d on all information of	which preparer has any knowledge.
gn	bellet, it is true, correct, and complete. Declara	e examined this return, including accomp tion of preparer (other than officer) is base	d on all information of	which preparer has any knowledge.
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ere	Signature ► Brian K, Einneran	(lion of preparer (other than officer) is base	d on all information of Date ► Title ►	President & CFO
aid	bellet, it is true, correct, and complete. Declara       Signature ►       Print your name ►       Brian K, Einneran       Print/Type preparer's name	e examined this return, including accomp tion of preparer (other than officer) is base Preparer's signature	d on all information of	President & CFO Check [] if PTIN
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aid	bellet, it is true, correct, and complete. Declara       Signature ►       Print your name ►       Brian K, Einneran       Print/Type preparer's name	(lion of preparer (other than officer) is base	d on all information of Date ► Title ►	President & CFO Check [] if PTIN

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

### HANOVER BANCORP, INC. EIN 81-3324480 ATTACHMENT TO FORM 8937 REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

# Part II, Box 14:

On May 26, 2021 (the "<u>Effective Date</u>"), Savoy Bank, a New York state chartered commercial bank ("Savoy") was merged (the "<u>Merger</u>") with and into Hanover Community Bank, a New York state chartered commercial bank (the "Bank") and the wholly owned subsidiary Hanover Bancorp, Inc. ("<u>Bancorp</u>"), with Bank as the surviving entity, pursuant to the terms and conditions of the Agreement and Plan of Merger (the "<u>Merger Agreement</u>"), dated as of August 27, 2020, as amended, between the Bancorp, Bank, and Savoy. Pursuant to the Merger Agreement, Savoy was merged with and into the Bank, with the Bank surviving, in a two-step transaction (collectively, the "Merger").

Upon the consummation of the Merger, each share of Savoy common stock, \$1.00 par value ("Savoy Common Stock") was converted into the right to receive (i) \$3.246 in cash and (ii) 0.141 shares of Bancorp common stock.

No fractional shares were issued in connection with the consummation of the Merger; cash was issued in lieu thereof.

#### Part II, Box 15:

The acquisition of Savoy by Bank pursuant to the Merger was intended to qualify as a reorganization within the meaning of section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code).

Each Savoy shareholder received half of the per share merger consideration in shares of Bancorp common stock, and half of the per share merger consideration in cash. Therefore, a U.S. holder who exchanges his, her or its shares of Savoy common stock for a combination of cash and shares of Hanover common stock pursuant to the Merger may recognize gain (but not loss) equal to the lesser of: (i) the excess, if any, of the amount of cash plus the fair market value of any shares of Bancorp common stock received, over such U.S. holder's adjusted tax basis in the shares of Savoy common stock surrendered; and (ii) the amount of cash received by such U.S. holder (other than cash received in lieu of fractional shares of Bancorp common stock).

Further discussion of the material U.S. federal income tax consequences of the Transaction can be found under the heading "Material U.S. Federal Income Tax Consequences" in the Bancorp's Form S-4 filed with the Securities and Exchange Commission on April 13, 2021.

#### Part II, Box 16:

The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of shareholders. Consult your tax adviser to determine the particular tax consequences to you of the Merger. Fair market value generally is the price at which property would change hands between a willing buyer and seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the facts. The Bancorp common stock is not traded on any exchange or established over the counter market. U.S. federal income tax law does not specifically prescribe how you should determine the fair market value of Bancorp common stock received in the merger; you should consult your tax advisor to determine what measure of fair value if appropriate. Notwithstanding the foregoing, the precise number of shares issued to Savoy shareholders receiving Bancorp stock as consideration was based on the determined value of Savoy shares of \$6.4926 per share, calculated in accordance with the terms of the Merger Agreement.

# Part II, Box 17:

The acquisition of Savoy by Bank pursuant to the Merger was intended to qualify as a reorganization within the meaning of section 368(a) of the Code. Assuming the Merger so qualifies, the federal income tax consequences to the Savoy shareholders who receive shares of Bancorp common stock as partial consideration for shares of Savoy common stock will be determined under Code sections 354, 356, 358, and 1221.

#### Part II, Box 18:

Savoy shareholders who received Bancorp common stock as Merger consideration cannot recognize any loss by reason of the Merger, except with respect to cash received in lieu of a fractional share of Bancorp common stock. If a Savoy shareholder receives cash in lieu of a fractional share of Bancorp common stock, the Savoy shareholder will be treated as having received a fractional share of Bancorp common stock pursuant to the Merger and then having exchanged the fractional share of Bancorp common stock for cash in a redemption by Bancorp. As a result, the Savoy shareholder generally will recognize gain or loss equal to the difference between the amount of cash received and the Savoy shareholder's basis in the fractional share of Bancorp common stock for cash in a redemption by Bancorp. As a result, the Savoy shareholder generally will recognize gain or loss equal to the difference between the amount of cash received and the Savoy shareholder's basis in the fractional share of Bancorp common stock. Such gain or loss generally will be a capital gain or loss, and will be long-term capital gain or loss if, as of the Effective Date, the Savoy shareholder's holding period with respect to the fractional share (including the holding period of the Savoy common stock surrendered therefor) exceeds one year. Special rules apply to Savoy shareholders who received their shares of Savoy common stock through the exercise of an employee stock option, through a tax qualified retirement plan, or otherwise as compensation, and such Savoy shareholders are instructed to consult their own tax advisers.

# Part II, Box 19:

In general, any adjustment to the tax basis that results in gain or loss recognized by a Savoy shareholder as a result of the completion of the Merger should be reported for the taxable year that includes the Effective Date (e.g., a calendar year shareholder would report the transaction on his or her federal income tax return filed for the 2021 calendar year).

For additional information please refer to the full text of the Merger Agreement, which is included as Exhibit 2.1 in Bancorp's Form S-4 filed with the Securities and Exchange Commission on April 13, 2021.