

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

ASCEND PERFORMANCE MATERIALS
HOLDINGS INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 25-90127 (CML)
)
)
) (Jointly Administered)
)

**DECLARATION OF MATTHEW O’CONNELL
IN SUPPORT OF CONFIRMATION OF THE THIRD AMENDED
JOINT CHAPTER 11 PLAN OF REORGANIZATION OF ASCEND
PERFORMANCE MATERIALS HOLDINGS INC. AND ITS DEBTOR AFFILIATES**

I, Matthew O’Connell, hereby declare as follows under penalty of perjury:

1. I am a Managing Director in the Restructuring and Special Situations Group at PJT Partners LP (“PJT”), a global investment banking firm listed on the New York Stock Exchange with its principal offices at 280 Park Avenue, New York, New York 10017. PJT is the investment banker for the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases.

2. I submit this declaration (this “Declaration”) in support of confirmation of the Debtors’ *Third Amended Joint Chapter 11 Plan of Reorganization of Ascend Performance Materials Holdings Inc. and Its Debtor Affiliates* [Docket No. 1157] (as amended, supplemented, or otherwise modified from time to time, the “Plan”).²

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://dm.epiq11.com/Ascend>. The location of Debtor Ascend Performance Materials Holdings Inc.’s principal place of business is 1010 Travis St., Suite 900, Houston, Texas 77002.

² Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan, the *Disclosure Statement for the Second Amended Joint Chapter 11 Plan of Reorganization of Ascend Performance Materials Holdings Inc. and its Debtor Affiliates* [Docket No. 992] (the “Disclosure Statement”), or the *Order (I) Approving the Adequacy of the Disclosure Statement, (II) Approving the Solicitation Procedures with Respect to Confirmation of the Debtors’ Proposed Chapter 11 Plan, (III) Approving the Form of Ballots and Notices in*

3. Except as otherwise indicated herein, all statements set forth in this Declaration are based on: (a) my personal knowledge of the Debtors' operations, finances, and restructuring initiatives; (b) my review of relevant documents; (c) information provided to me by PJT professionals involved in advising the Debtors in these chapter 11 cases; (d) information provided to me by the Debtors, the Debtors' management, and/or the Debtors' other advisors; or (e) my opinions based on my experience as a restructuring professional. I am over the age of 18 years and, if called to testify as a witness, could and would testify competently to the statements set forth herein.

4. I am not being compensated separately for this Declaration or any related testimony.³

Qualifications and Background

5. PJT is a leading global financial advisory firm with more than 1,200 employees in fifteen offices in the U.S., Europe, and Asia. The firm offers integrated advisory services for mergers and acquisitions, restructuring and special situations, fund placement, and shareholder engagement. PJT is an industry leader and has advised companies and creditors in all aspects of complex restructurings and bankruptcies. The firm has extensive experience providing financial advisory and investment banking services to financially distressed companies, including the representation of both debtors and lenders in reorganizations and restructurings, both out of court and in chapter 11 proceedings. PJT is a registered broker-dealer with the United States Securities

Connection Therewith, (IV) Scheduling Certain Dates with Respect Thereto, and (V) Granting Related Relief [Docket No. 999] (the "Disclosure Statement Order"), as applicable.

³ Pursuant to PJT's engagement letter with the Debtors, PJT will be entitled to be paid certain fees in connection with the consummation of the Plan, subject to approval by the Court.

and Exchange Commission, is a member of the Securities Investor Protection Corporation, and is regulated by the Financial Industry Regulatory Authority.

6. My background and qualifications are set forth in greater detail in the *Declaration of Matthew O'Connell in Support of the Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Claims with Superpriority Administrative Expenses Status, (III) Authorizing the Use of Cash Collateral, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* [Docket No. 38]. On June 17, 2025, the Court entered the *Order (I) Authorizing the Retention and Employment of PJT Partners LP as Investment Banker to the Debtors, Effective as of April 21, 2025, and (II) Granting Related Relief* [Docket No. 489]. As a result of PJT's work, I am generally familiar with the Debtors' day-to-day operations, business and financial affairs, and books and records.

Valuation Analysis

7. At the Debtors' request, PJT prepared a valuation analysis that provides an estimated potential range of total enterprise value ("Enterprise Value") and implied equity value ("Equity Value") for the Reorganized Debtors *pro forma* for the Restructuring Transactions contemplated by the Plan. The initial valuation analysis was prepared as of October 18, 2025, and contemplated \$179 million of funding under the Exit ABL Facility and a \$110 million Exit Term Loan Facility, with an assumed effective date of the Plan of November 24, 2025, and a summary thereof was filed as Exhibit E to the Disclosure Statement (the "Initial Valuation Analysis").

8. On November 26, 2025, the Debtors filed the *Notice of Filing of Amended Exhibits to the Disclosure Statement for the Second Amended Joint Chapter 11 Plan of Reorganization of Ascend Performance Materials Holdings Inc. and Its Debtor Affiliates* [Docket No. 1120] (the "First Disclosure Statement Supplement"). Exhibit C to the First Disclosure Statement

Supplement was a revised valuation analysis (the “Revised Valuation Analysis”), which included a \$100 million first-in last-out asset-based term loan facility (the “Exit FILO Facility”) and decreased funding under the Exit ABL Facility and Exit Term Loan Facility (the “Revised Rights Offering Amount”).

9. Following the filing of the Initial Valuation Analysis, as well as the filing of the Revised Valuation Analysis and the First Disclosure Statement Supplement, the Debtors continued discussions with their key stakeholders in an effort to maximize the value of the Debtors’ estates and ensure a smooth transition out of these Chapter 11 Cases. Following good-faith, arms’-length negotiations, the Debtors reached an agreement with the Exit Term Loan Lenders and the lenders under the Exit ABL Facility to revise the terms of the Debtors’ exit capital structure in order to, among other things, improve the flexibility of the Company’s post-effective date capital structure (the “Final Exit Financing Arrangement”). Under the Final Exit Financing Arrangement, (i) the Debtors will no longer enter into the Exit FILO Facility, (ii) the Revised Rights Offering Amount will be increased from \$180 million to \$235 million, and (iii) the Plan will retain an Exit ABL Facility of up to \$400 million in aggregate commitments.

10. Following agreement on the Final Exit Financing Arrangement, PJT prepared a further revised valuation analysis to account for the updates to the Debtors’ post-effective date capital structure (the “Second Revised Valuation Analysis”). The Second Revised Valuation Analysis—a summary of which is attached as Exhibit C to the *Notice of Filing of Further Amended Exhibits to the Disclosure Statement for the Second Amended Joint Chapter 11 Plan of Reorganization of Ascend Performance Materials Holdings Inc. And Its Debtor Affiliates* [Docket No. 1150] (the “Notice of Further Revised Exhibits”)—is attached to this Declaration as

Exhibit A. The Second Revised Valuation Analysis was prepared as of October 18, 2025, with an assumed effective date of the Plan of December 15, 2025.

11. I supervised the PJT team that prepared the Second Revised Valuation Analysis. The valuation estimates set forth in the Second Revised Valuation Analysis represent valuation analyses generally based on the application of customary valuation techniques to the extent deemed appropriate by PJT. In preparing its valuation, PJT considered a variety of factors and evaluated a variety of financial analyses, including, among others:⁴ (a) comparable companies analysis; (b) discounted cash flow analysis (“DCF”); and (c) precedent transactions analysis. Furthermore, PJT: (a) reviewed certain historical financial information of the Debtors for recent years and interim periods; (b) reviewed certain financial and operating data of the Debtors, including the revised financial projections attached to the Notice of Further Revised Exhibits as Exhibit A (the “Financial Projections”);⁵ (c) discussed the Debtors’ operations and future prospects with the Debtors’ senior management team and third-party advisors; (d) reviewed certain publicly available financial data for, and considered the market value of, public companies that PJT deemed generally relevant in analyzing the value of the Reorganized Debtors; (e) reviewed certain publicly available data for, and considered the market values implied therefrom, recent transactions in the chemicals industry involving companies comparable (in certain respects) to the Reorganized Debtors; and (f) considered certain economic and industry information that PJT deemed generally relevant to the Reorganized Debtors.

⁴ The preparation of a valuation is a complex process involving various determinations as to the most appropriate analyses and factors to consider, as well as the application of those analyses and factors under particular circumstances. As a result, the process involved in preparing a valuation is not readily summarized.

⁵ Neither I nor PJT independently verified the Financial Projections or other information that PJT used in the Second Revised Valuation Analysis. PJT is not offering an opinion as to the attainability of the Financial Projections, and no independent appraisals of the Debtors or their assets were sought or obtained in connection therewith.

12. In connection with PJT's work providing investment banking and valuation services to companies, PJT frequently relies on projections and financial data provided and prepared by company management or other parties, and it is common for professionals in PJT's field to rely on such projections and data. Here too, in preparing the Second Revised Valuation Analysis, PJT also relied upon the accuracy and completeness of all financial and other information furnished to it by the Debtors' management (including the Financial Projections) and other parties as well as publicly available information.

13. Additionally, PJT assumed that no material changes to the Debtors and their businesses that would affect estimated value would occur between the date of preparing the Second Revised Valuation Analysis and the effective date of the Plan. PJT also assumed that there would be no material change in economic, monetary, market, industry, and other conditions that would impact any of the material information made available to PJT, as of the effective date.

14. Pursuant to the Second Revised Valuation Analysis, (a) the estimated Enterprise Value for the Reorganized Debtors *pro forma* upon consummation of the Restructuring Transactions contemplated by the Plan, as of an assumed effective date of December 15, 2025, is approximately \$800 million to approximately \$1.0 billion and (b) based on funded indebtedness, capital leases, asset financing agreements, settlement payment liabilities, and pension liabilities as of the effective date of approximately \$774 million, less estimated excess balance sheet cash as of the effective date of approximately \$30 million, the estimated Equity Value of the Reorganized Debtors as of the assumed effective date is approximately \$57 million to approximately \$257 million.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: December 8, 2025
New York, New York

/s/ Matthew O'Connell
Matthew O'Connell
Managing Director, PJT Partners LP
Investment Banker to the Debtors

Exhibit A

Second Revised Valuation Analysis

Valuation Analysis¹

THE INFORMATION CONTAINED HEREIN IS NOT A PREDICTION OR GUARANTEE OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED FROM ANY FUNDED INDEBTEDNESS OR SECURITIES TO BE ISSUED PURSUANT TO THE PLAN. THE INFORMATION IS PRESENTED SOLELY FOR THE PURPOSE OF PROVIDING ADEQUATE INFORMATION UNDER SECTION 1125 OF THE BANKRUPTCY CODE IN RESPECT OF THE SOLICITATION OF CLAIMS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT THE PLAN AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF CLAIMS AGAINST OR INTEREST IN THE DEBTORS OR ANY OF THEIR AFFILIATES.

A. General Methodology

Solely for the purposes of the Plan and the Disclosure Statement, PJT Partners LP (“PJT”), as investment banker to the Debtors, has estimated a potential range of total enterprise value (“Enterprise Value”) and implied equity value (“Equity Value”) for the Reorganized Debtors *pro forma* for the restructuring transactions contemplated by the Plan (the “Valuation Analysis”). The Valuation Analysis is based on financial and other information provided to PJT by the Debtors’ management and third-party advisors, the Financial Projections attached to the Disclosure Statement as Exhibit D, and information provided by other sources. The Valuation Analysis is as of October 18, 2025, with an estimated Effective Date of the Plan of December 15, 2025. The valuation estimates set forth herein represent valuation analyses generally based on the application of customary valuation techniques to the extent deemed appropriate by PJT.

In preparing its valuation, PJT considered a variety of factors and evaluated a variety of financial analyses, including, among others: (a) comparable companies analysis; (b) discounted cash flow analysis (“DCF”); and (c) precedent transactions analysis. The preparation of a valuation analysis is a complex analytical process involving subjective determinations about which methodologies of financial analysis are most appropriate and relevant to the subject company and the application of those methodologies to particular facts and circumstances in a manner that is not readily susceptible to summary description.

B. Enterprise and Equity Value

Based on the aforementioned analyses and other information described herein and solely for purposes of the Plan, the estimated range of Enterprise Value of the Reorganized Debtors, collectively, as of October 18, 2025, is approximately \$800 million to approximately \$1.0 billion.

In addition, based on the estimated range of Enterprise Value of the Reorganized Debtors and other information described herein and solely for purposes of the Plan, PJT estimated a potential range of Equity Value of the Reorganized Debtors, which consists of the Enterprise Value less net funded indebtedness, capital leases, asset financing agreements, and pension

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan or the Disclosure Statement, as applicable.

liabilities on the estimated Effective Date of the Plan. The Reorganized Debtors are projected to have funded indebtedness, capital leases, asset financing agreements, settlement payment liabilities, and pension liabilities on the estimated Effective Date consisting of approximately \$159 million from the Exit ABL Facility, \$259 million from the Exit Term Loan Facility, \$21 million from various Foreign Debt Facilities, approximately \$322 million of capital leases and asset financing agreements, \$4 million of settlement payment liabilities, and \$9 million of pension liabilities. PJT has thus assumed that, as of the estimated Effective Date, the Reorganized Debtors will have approximately \$774 million of total funded indebtedness, capital leases, asset financing agreements, settlement payment liabilities, and pension liabilities, balance sheet excess cash of approximately \$30 million, and net debt of approximately \$744 million.

Based on the above, PJT estimated that the potential range of Equity Value for the Reorganized Debtors, as of the estimated Effective Date, is between approximately \$57 million and approximately \$257 million.

C. Additional Considerations

For purposes of the Valuation Analysis, PJT assumed that no material changes that would affect estimated value occur between the date of the Disclosure Statement and the estimated Effective Date of the Plan. PJT's Valuation Analysis does not constitute an opinion as to the fairness from a financial point of view of the consideration to be received or paid under the Plan, of the terms and provisions of the Plan, or with respect to any other matters.

The Financial Projections include certain illustrative assumptions regarding expected cash tax liabilities. The impact of any changes to these illustrative assumptions regarding cash tax liabilities, including as a result of the tax consequences of the Restructuring Transactions (which could include elimination of or limitation of tax attributes, changes to the tax basis of assets, and the triggering of other tax implications) could materially impact the Valuation analysis. Such matters are subject to many uncertainties and contingencies that are difficult to predict, certain of which rely on the form of the Restructuring Transactions, and some of which cannot be determined with certainty until after the Restructuring Transactions are consummated.

THE VALUATION ANALYSIS REFLECTS WORK PERFORMED BY PJT ON THE BASIS OF INFORMATION IN RESPECT OF THE BUSINESSES AND ASSETS OF THE DEBTORS AVAILABLE TO PJT AS OF OCTOBER 18, 2025. IT SHOULD BE UNDERSTOOD THAT, ALTHOUGH SUBSEQUENT DEVELOPMENTS MAY HAVE AFFECTED OR MAY AFFECT PJT'S CONCLUSIONS IN RESPECT OF THE VALUATION ANALYSIS, PJT DOES NOT HAVE ANY OBLIGATION TO UPDATE, REVISE, OR REAFFIRM ITS ESTIMATES OR THE VALUATION ANALYSIS AND DOES NOT INTEND TO DO SO.

PJT DID NOT INDEPENDENTLY VERIFY THE FINANCIAL PROJECTIONS OR OTHER INFORMATION THAT PJT USED IN THE VALUATION ANALYSIS AND NO INDEPENDENT VALUATIONS OR APPRAISALS OF THE DEBTORS OR THEIR ASSETS OR LIABILITIES WERE SOUGHT OR OBTAINED IN CONNECTION THEREWITH. THE VALUATION ANALYSIS WAS DEVELOPED SOLELY FOR PURPOSES OF THE PLAN AND THE ANALYSIS OF POTENTIAL RELATIVE RECOVERIES TO CREDITORS

THEREUNDER. THE VALUATION ANALYSIS REFLECTS THE APPLICATION OF VARIOUS VALUATION TECHNIQUES, DOES NOT PURPORT TO BE AN OPINION AND DOES NOT PURPORT TO REFLECT OR CONSTITUTE AN APPRAISAL, LIQUIDATION VALUE, OR ESTIMATE OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED THROUGH THE SALE OF ANY SECURITIES OR FUNDED DEBT TO BE ISSUED PURSUANT TO, OR ASSETS SUBJECT TO, THE PLAN, WHICH MAY BE SIGNIFICANTLY DIFFERENT THAN THE AMOUNTS SET FORTH IN THE VALUATION ANALYSIS.

THE VALUE OF AN OPERATING BUSINESS IS SUBJECT TO NUMEROUS UNCERTAINTIES AND CONTINGENCIES THAT ARE DIFFICULT TO PREDICT AND WILL FLUCTUATE WITH CHANGES IN FACTORS AFFECTING THE FINANCIAL CONDITION AND PROSPECTS OF SUCH A BUSINESS. AS A RESULT, THE VALUATION ANALYSIS IS NOT NECESSARILY INDICATIVE OF ACTUAL OUTCOMES, WHICH MAY BE SIGNIFICANTLY MORE OR LESS FAVORABLE THAN THOSE SET FORTH HEREIN. BECAUSE SUCH ESTIMATES ARE INHERENTLY SUBJECT TO UNCERTAINTIES, NONE OF THE DEBTORS, PJT, OR ANY OTHER PERSON ASSUMES RESPONSIBILITY FOR THEIR ACCURACY. IN ADDITION, THE POTENTIAL VALUATION OF NEWLY ISSUED OR INCURRED FUNDED DEBT AND SECURITIES IS SUBJECT TO ADDITIONAL UNCERTAINTIES AND CONTINGENCIES, ALL OF WHICH ARE DIFFICULT TO PREDICT. ACTUAL MARKET PRICES OF SUCH FUNDED DEBT AND SECURITIES AT ISSUANCE WILL DEPEND UPON, AMONG OTHER THINGS, PREVAILING INTEREST RATES, CONDITIONS IN THE FINANCIAL MARKETS, THE ANTICIPATED INITIAL FUNDED DEBT AND SECURITIES HOLDINGS OF PREPETITION CREDITORS AND EQUITYHOLDERS, SOME OF WHICH MAY PREFER TO LIQUIDATE THEIR INVESTMENT IMMEDIATELY RATHER THAN HOLD THEIR INVESTMENT ON A LONG-TERM BASIS, THE POTENTIALLY DILUTIVE IMPACT OF CERTAIN EVENTS, INCLUDING THE ISSUANCE OF EQUITY SECURITIES PURSUANT TO ANY MANAGEMENT INCENTIVE PLAN ESTABLISHED, AND OTHER FACTORS THAT GENERALLY INFLUENCE THE PRICES OF FUNDED DEBT AND SECURITIES.

The Debtors' management advised PJT that the Financial Projections were reasonably prepared in good faith and on a basis reflecting the Debtors' best estimates and judgments as to the future operating and financial performance of the Reorganized Debtors. The Valuation Analysis assumed that the actual performance of the Reorganized Debtors will correspond to the Financial Projections in all material respects. If the business performs at levels below or above those set forth in the Financial Projections, such performance may have a materially negative or positive impact, respectively, on the Valuation Analysis, estimated potential ranges of valuation of the Reorganized Debtors, and the Enterprise Value thereof.

In preparing the Valuation Analysis, PJT: (a) reviewed certain historical financial information of the Debtors for recent years and interim periods; (b) reviewed certain financial and operating data of the Debtors, including the Financial Projections; (c) discussed the Debtors' operations and future prospects with the Debtors' senior management team and third-party advisors; (d) reviewed certain publicly available financial data for, and considered the market value of, public companies that PJT deemed generally relevant in analyzing the value of the Reorganized Debtors; (e) reviewed certain publicly available data for, and considered the market

values implied therefrom, recent transactions in the chemicals industry involving companies comparable (in certain respects) to the Reorganized Debtors; and (f) considered certain economic and industry information that PJT deemed generally relevant to the Reorganized Debtors. PJT assumed and relied on the accuracy and completeness of all financial and other information furnished to it by the Debtors' management and other parties as well as publicly available information.

The Valuation Analysis does not constitute a recommendation to any Holder of Allowed Claims, or any other person as to how such person should vote or otherwise act with respect to the proposed Restructuring Transactions provided in the Plan. PJT has not been requested to, and does not express any view as to, the potential value of the Reorganized Debtors' funded debt and securities on issuance or at any other time.

THE SUMMARY SET FORTH HEREIN DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OF THE VALUATION ANALYSIS PERFORMED BY PJT. THE PREPARATION OF A VALUATION ANALYSIS INVOLVES VARIOUS DETERMINATIONS AS TO THE MOST APPROPRIATE AND RELEVANT METHODS OF FINANCIAL ANALYSIS AND THE APPLICATION OF THESE METHODS IN THE PARTICULAR CIRCUMSTANCES AND, THEREFORE, SUCH AN ANALYSIS IS NOT READILY SUITABLE TO SUMMARY DESCRIPTION. THE VALUATION ANALYSIS PERFORMED BY PJT IS NOT NECESSARILY INDICATIVE OF ACTUAL VALUES OR FUTURE RESULTS, WHICH MAY BE SIGNIFICANTLY MORE OR LESS FAVORABLE THAN THOSE DESCRIBED HEREIN.

PJT IS ACTING AS INVESTMENT BANKER TO THE DEBTORS, AND HAS NOT BEEN AND WILL NOT BE RESPONSIBLE FOR, AND HAS NOT AND WILL NOT PROVIDE ANY TAX, ACCOUNTING, ACTUARIAL, OR LEGAL ADVICE TO THE DEBTORS OR ANY OTHER PARTY IN CONNECTION WITH THE DEBTORS' CHAPTER 11 CASES, THE PLAN OR OTHERWISE.