

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name	2 Issuer's employer identification number (EIN)		
Ascend Performance Materials Holdings Inc. 27-0219853			
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Lisa Dozier	713-315-5774	ldozie@ascendmaterials.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		
1010 Travis St.	Houston, Texas, 77002		
8 Date of action	9 Classification and description		
12/19/2025	SEE ATTACHMENT		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
SEE ATTACHMENT			

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

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 ► John Dz

Date ► 11/4/2024

Print your name ► **Lisa Dozier**

Title ► Tax Director

Paid Preparer Use Only	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.	

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

Ascend Performance Materials Holdings Inc.
FEIN: 27-0219853

Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”). The following is a general summary of the application of certain U.S. federal income tax laws to the effects of the Emergence Transactions (as defined below) on certain securities. Unless otherwise specified herein, “Section” references are to the Code or Treasury Regulations promulgated thereunder, each in effect as of the date hereof.

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 persons or categories of persons. You are urged to consult your own tax advisor regarding the tax consequences to you of the transactions described herein and the impact to tax basis resulting therefrom, including the impact of any U.S. state, local or non-U.S. tax laws, as applicable.

Part I:

Line 9. Classification and description.

- Secured debt claims against the Debtors (specifically, Ascend Performance Materials Operations LLC, FEIN: 26-4345777 (“OpCo”)) pursuant to the Term Loans Documents (the “Term Loans”), as defined in the Plan (as defined below).
- Claims against the Debtors, arising from, or based on the 36th Street Financing Agreement (as defined in the Plan, with respect to Ascend Performance Materials Texas Inc., FEIN:45-4167787), the Ansley Park Financing Agreement (as defined in the Plan, with respect to Ascend Performance Materials Texas Inc., FEIN: 45-4167787), and the Citizens CoGen Financing Agreement (as defined in the Plan, with respect to OpCo), in each case, that are treated as debt for tax purposes (collectively, the “Financing Leases”).
- Stock in Ascend Parent (as defined below).

Line 10. CUSIP number.

- Term Loans – 04350TAC8

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 April 21, 2025, Ascend Performance Materials Holdings Inc. (“Ascend Parent”) and certain of its affiliates (the “Debtors”) filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas,

(the “Bankruptcy Court”). On December 9, 2025, the Bankruptcy Court approved and confirmed the Debtors’ Fourth Amended Joint Chapter 11 Plan, as amended and supplemented (the “Plan”). The Plan became effective on December 19, 2025 (the “Plan Effective Date”), and the Debtors emerged from their Chapter 11 cases.

On December 12, 2025, Ascend Parent merged with and into OpCo with OpCo surviving (the “Downstream Merger”). Pursuant to the Downstream Merger, holders of stock in Ascend Parent received 100% of the equity of OpCo.

On the Plan Effective Date, the following transactions occurred:

- The holders of Term Loan claims exchanged their Term Loan claims for interests in the Litigation Trust Class C Interests (as defined in the Plan);
- Holders of equity interests in OpCo’s existing equity interests in OpCo were cancelled, and such holders received the Ascend Interest Distribution (as defined in the Plan) (the “Recapitalization”); and
- Holdings of Financing Lease claims exchanged their claims for rights to certain payments from the Debtors (subsets of the “Asset Financing Takeback Debt” in the Plan);
(such transactions, excluding the Recapitalization, the “Emergence Transactions”).

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.

Downstream Merger and Recapitalization

Under U.S. federal income tax law, the Downstream Merger is expected to qualify as a reorganization pursuant to section 368 of the Code. Under section 354 of the Code, holders of Interests in Ascend Parent that exchange such Interests for equity interests in OpCo pursuant to the Downstream Merger should not recognize gain or loss. Under section 358, the adjusted tax basis of the equity interests of OpCo received in the Downstream Merger should be equal to the adjusted tax basis of the stock transferred. A U.S. holder with blocks of transferred stock having differing tax basis must apply these tax basis rules separately to each block of OpCo equity received.

It is somewhat unclear whether the Recapitalization should be treated as a separate transaction (that qualifies as a reorganization under section 368) or simply ignored (as a useless gesture) for U.S. federal income tax purposes. Either way, a U.S. holder of existing equity interests in OpCo would have the same basis in the newly-issued equity in OpCo, either because the basis would be determined under section 358 (as in the Downstream Merger) or because the transaction would be ignored entirely. A U.S. holder with blocks of OpCo equity having differing tax basis must apply these tax basis rules separately to each block of OpCo equity received pursuant to the Recapitalization.

Holders of equity interests in Ascend Parent/OpCo should consult their own tax advisors to determine the tax consequences to them of the Downstream Merger and Recapitalization, including the impact of any U.S. state, local or non-U.S. tax laws, as applicable.

Emergence Transactions

Term Loans

Because the Litigation Trust Class C Interests should not constitute a “security” for U.S. federal income tax purposes, with respect to the holders of Term Loan claims, under U.S. federal income tax law, the Emergence Transactions are expected to result in fully taxable exchanges under Section 1001 on which gain or loss may be recognized by such holders Exchange Holders.

Consequently, the holders of Term Loan claims are expected to recognize gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realized (which would be determined based on the fair market value of the Litigation Trust Class C Interests received) and the holder’s adjusted tax basis in the Term Loan claim exchanged.

A Term Loan claim holder’s aggregate initial tax basis in the Litigation Trust Class C Interest received generally is expected to be equal to its fair market value at the time of the exchange.

Financing Leases

The Financing Lease claims are treated as indebtedness, rather than as a true lease, for U.S. federal income tax purposes. The Debtors believe, and the remainder of this discussion assumes, that such exchanges resulted in significant modifications of the applicable Financing Leases under Treasury Regulations Section 1.1001-3. As a result, the holders of Financing Lease claims are expected to be treated as receiving the applicable Asset Financing Takeback Debt in exchange for the applicable Financing Lease claim.

Unless the exchanges of Financing Lease claims for Asset Financing Takeback Debt qualify as recapitalizations under Section 368(a)(1)(E) of the Code for U.S. federal income tax purposes, such exchanges are expected to result in fully taxable debt-for-debt exchanges under Section 1001 of the Code on which gain or loss may be recognized by the holders of Financing Lease claims. Under such treatment, the holders would be expected to recognize gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realized (which would be determined based on the “issue price” of the applicable Asset Financing Takeback Debt received plus the amount of cash (other than cash for accrued and unpaid interest), if any, received) and the holder’s adjusted tax basis in the applicable Financing Lease claim exchanged, and such a holder’s aggregate initial tax basis in the applicable Asset Financing Takeback Debt received generally would be expected to be equal to its issue price.

The determination of whether the exchanges of Financing Lease claims for Asset Financing Takeback Debt constitute recapitalizations under Section 368(a)(1)(E) of the Code depends on whether the applicable Financing Lease claims surrendered and Exchange Debt received constitutes a “security” for purposes of Section 354 of the Code. Neither the Code nor the Treasury Regulations define the term security. Whether a debt instrument is a security is based on all of the facts and circumstances, but most authorities have held that the term to maturity of

the debt instrument is one of the most significant factors. In this regard, debt instruments with a term of ten years or more generally have qualified as securities, whereas debt instruments with a term of less than five years generally have not qualified as securities. Here, the Financing Leases had terms between three and six years and the Asset Financing Takeback Debt have terms between approximately three and half years and approximately seven years and eleven months. In general, if the exchanges of Financing Lease claims for Asset Financing Takeback Debt are treated as recapitalizations under Section 368(a)(1)(E) of the Code, the holders of Financing Lease claims should not recognize gain or loss on such exchanges (except a holder who receives cash (other than cash for accrued and unpaid interest) would recognize gain to the extent of the lesser of (i) the amount of cash (other than cash for accrued and unpaid interest) received by such holder as part of such exchange and (ii) the total gain realized by such holder as part of such exchanges), and such a holder's aggregate initial tax basis in the applicable Asset Financing Takeback Debt received generally would be expected to be equal to such holder's adjusted tax basis in the Financing Lease claim surrendered immediately prior to such exchange, less the amount of cash (other than cash for accrued and unpaid interest), if any, received by such holder in such exchange, plus the amount of gain recognized by such holder on such exchange, if any.

Holders of Term Loan claims or Financing Lease claims should consult their own tax advisors to determine the tax consequences to them of the Emergence Transactions, including the impact of any U.S. state, local or non-U.S. tax laws, as applicable.

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.

See response to Line 15 above.

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

Sections 354, 358, 368, and 1001.

Line 18. Can any resulting loss be recognized?

Downstream Merger and Recapitalization: No loss may be recognized as a result of the Downstream Merger and Recapitalization.

Emergence Transactions: The Emergence Transactions may result in a holder of a Term Loan claim recognizing a loss if such holder's tax basis in the applicable Term Loan claim exchanged exceeds the fair market value of the Litigation Trust Class C Interests received.

The Emergence Transactions may result in a holder of a Financing Lease claim recognizing a loss if such holder's tax basis in the applicable Financing Lease claim exchanged exceeds the issue price of the applicable Asset Financing Takeback Debt received.

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

The reportable tax year is 2025 for calendar-year taxpayers.