Docket #0511 Date Filed: 06/24/2026

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

In re:	)	Chapter 11
ASCEND ELEMENTS, INC., *et al.*,[1]	)	Case No. 26-90440 (CML)
Debtors.	)	(Jointly Administered)

DEBTORS' EMERGENCY MOTION FOR ENTRY OF AN ORDER (I)(A) ESTABLISHING PROCEDURES FOR THE SALE, TRANSFER, AND ABANDONMENT OF DE MINIMIS ASSETS, FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES; (B) APPROVING PROCEDURES TO ASSUME AND ASSIGN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (II) GRANTING RELATED RELIEF

EMERGENCY RELIEF HAS BEEN REQUESTED. RELIEF IS REQUESTED NOT LATER THAN 1:00 P.M. (CENTRAL TIME) ON JUNE 29, 2026. IF YOU OBJECT TO THE RELIEF REQUESTED OR YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU MUST APPEAR AT THE HEARING IF ONE IS SET, OR FILE A WRITTEN RESPONSE PRIOR TO THE DATE THAT RELIEF IS REQUESTED IN THE PRECEDING PARAGRAPH. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Ascend Elements, Inc. and Ascend Elements US, LLC (collectively, the "Debtors") file this *Motion for Entry of an Order (I)(A) Establishing Procedures for the Sale, Transfer, and Abandonment of De Minimis Assets, Free and Clear of Liens, Claims, Interests, and Encumbrances; (B) Approving Procedures to Assume and Assign Executory Contracts and Unexpired Leases; and (II) Granting Related Relief* (the "Motion"). In support of this Motion, the Debtors respectfully state as follows:

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Ascend Elements, Inc. (2893) Ascend Elements US, LLC 8309. The location of the Debtors' service address is: 133 Flanders Road, Westborough, MA 01581.

2690440260624000000000013

PRELIMINARY STATEMENT

1. These chapter 11 cases are close to achieving their principal objective: maximizing value through an orderly sale process for substantially all of the Debtors' assets. Following the Petition Date, the Debtors, with the assistance of Jefferies LLC, conducted an extensive marketing and sale process that resulted in multiple court-approved transactions for the Debtors' most significant assets, including the sale of the Debtors' intellectual property portfolio and related assets, the sale of the Hopkinsville, Kentucky facility, and the pending sale of the Covington, Georgia facility. Through those transactions, the Debtors have monetized substantially all of their operating assets and preserved significant value for creditors and other stakeholders.

2. As the Debtors transition from a sale process to the orderly liquidation and wind down of their remaining estates, a limited number of residual assets will remain. These assets consist primarily of equipment, fixtures, tools, spare parts, office furniture, vehicles, scrap, information technology equipment, and other miscellaneous property that was not included in the larger sale transactions or that have minimal standalone value (collectively, the "De Minimis Assets"). In many instances, the costs associated with storing, maintaining, marketing, or otherwise disposing of such assets may equal or exceed the value that could be realized through a traditional sale process.

3. Under these circumstances, requiring the Debtors to file a separate motion and obtain a separate court order for each disposition would impose unnecessary administrative costs, delay transactions, and diminish recoveries available to creditors. The Debtors therefore seek authority to implement streamlined procedures to sell, transfer, or abandon De Minimis Assets, free and clear of liens, claims, interests, and encumbrances, while preserving appropriate notice and objection rights for interested parties. The requested procedures will

maximize the value of the remaining estates, reduce administrative expenses, and facilitate an efficient and cost-effective wind down of these chapter 11 cases.

JURISDICTION, VENUE, AND AUTHORITY

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b).

5. Venue of the Debtors' chapter 11 cases in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

6. The bases for the relief requested herein are sections 105(a), 363, 365, and 554 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, 6006, 6007, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 4001-1 and 9013-1 of the Local Bankruptcy Rules for the Southern District of Texas (the "Local Rules").

7. This Court has constitutional authority to enter final orders with respect to the relief requested herein. The Debtors further confirm their consent to this Court's entry of final orders or judgments on this Motion if it is later determined that, absent consent of the parties, this Court does not have constitutional authority to enter final orders or judgments.

REQUESTED RELIEF

8. By this Motion, pursuant to sections 362, 363, 365, 554(a), and 105(a) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 6007, and 9014, and the Local Rules, the Debtors request entry of an order, attached hereto (the "Proposed Order") (i) establishing procedures for the Debtors to (a) sell, transfer, or abandon De Minimis Assets and (b) assume and assign executory contracts and unexpired leases in connection with De Minimis Transactions (as defined below) and (ii) granting related relief.

FACTUAL BACKGROUND

A. The Chapter 11 Case

9. On April 9, 2026 (the "Petition Date"), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code. The Debtors continue to operate and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

10. On April 26, 2026, the Office of the United States Trustee appointed the official committee of unsecured creditors (the "Committee").

11. Additional information regarding the Debtors' business, capital structure, and the events leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Linh Austin in Support of Chapter 11 Petitions and Emergency First-Day Motions* (the "First Day Declaration"), which is incorporated herein by reference.

B. The Debtors' Sale Process

12. Following the Petition Date, the Debtors promptly commenced a comprehensive marketing and sale process designed to maximize value for their estates and stakeholders. On April 10, 2026, the Debtors filed their *Emergency Motion for Entry of an Order (I)(A) Approving Bid Procedures, (B) Authorizing Designation of a Stalking Horse Bidder, (C) Scheduling an Auction, Related Deadlines, and a Sale Hearing, and (D) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors' Assets, (B) Approving the Assumption and Assignment of Certain Contracts, and (C) Granting Related Relief* [Dkt. No. . On April 17, 2026, the Court entered the *Order (A) Approving Bid Procedures, (B) Authorizing Designation of a Stalking Horse Bidder, (C) Scheduling an Auction, Related Deadlines, and a Sale Hearing, and (D) Granting Related Relief* [Docket No. 120] (the "Bid Procedures Order"), among other things, approving a flexible sale process that permitted bidders to submit bids for

all or only a portion of the Debtors' assets and authorizing the Debtors to conduct one or more sales transactions.

13. Pursuant to the Bid Procedures Order, the Debtors, conducted an extensive marketing and sale process designed to maximize value for the Debtors' estates. The Bid Procedures permitted interested parties to submit bids for all or substantially all of the Debtors' assets or for discrete asset groups. Through that process, the Debtors solicited and evaluated interest from numerous strategic and financial parties and ultimately pursued separate transactions for distinct asset groups. With respect to the Debtors' intellectual property portfolio, equity interests in certain non-Debtor subsidiaries, and related assets, the Debtors received a qualified bid from Bluegrass Infrastructure Partners Holdings, LLC. Because no other qualified bids were submitted for those assets, the auction was cancelled as to that asset group in accordance with the Bid Procedures. The Debtors subsequently designated Bluegrass Infrastructure Partners Holdings, LLC as the successful bidder [Dkt. No. 352], and, following a sale hearing, the Court entered the *Order (I) Approving the Sale of Certain of the Debtors' Assets and Interests Free and Clear of Claims, Liens, and Encumbrances, (II) Approving the Assumption and Assignment of Designated Executory Contracts and Unexpired Leases, and (III) Granting Related Relief* [Dkt. No. 393]. The Debtors consummated that transaction on May 26, 2026. *See* Dkt. Nos. Nos. 400, 403].

14. The marketing process also generated interest in the Debtors' Hopkinsville, Kentucky facility and related assets. After receiving multiple bids for those assets, the Debtors conducted an auction on May 26, 2026. *See* Dkt. No. 392. Following the auction, the Debtors designated Turner-Kokosing Joint Venture as the successful bidder [Dkt. No. 407]. After conducting a sale hearing on June 3, 2026, the Court entered the O*rder (I) Approving the Sale of the Debtors' Interests in the Hopkinsville, Kentucky Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (II) Approving the Assumption and Assignment of Associated*

Executory Contracts and Unexpired Leases, and (III) Granting Related Relief [Dkt. No. 469]. The Debtors subsequently consummated the Hopkinsville transaction and filed a notice of closing on June 11, 2026. *See* Dkt. No. 474.

15. After a separate marketing process for the Debtors' Covington, Georgia facility and related assets, the Debtors designated R3 Lithium, Inc. as the successful bidder for those assets. *See* Dkt. No. 487. The Debtors are presently seeking approval of the Covington transaction.

16. As a result of these transactions, the Debtors have successfully monetized substantially all of their operating assets through a Court supervised and competitive sale process that has generated significant stakeholder participation and maximized value under the circumstances of these chapter 11 cases. With the sale process substantially complete, the Debtors are transitioning from asset monetization to the orderly wind down and liquidation of their remaining assets.

THE DE MINIMIS ASSET PROCEDURES

17. Given the Debtors' limited remaining liquidity and the costs associated with storing, maintaining, marketing, and disposing of the De Minimis Assets, the Debtors require an efficient mechanism to monetize or abandon these residual assets. Accordingly, the Debtors seek approval of the De Minimis Asset Procedures, which will permit the Debtors to sell, transfer, or abandon remaining assets in a cost-effective manner, maximize recoveries for stakeholders, and facilitate the orderly wind down of these chapter 11 cases.

18. The De Minimis Assets include equipment, fixtures, tools, spare parts, office furniture, information technology equipment, vehicles, containers, scrap materials, and other miscellaneous property located at the Debtors' former operating facilities in Hopkinsville, Kentucky, Covington, Georgia, and elsewhere. Many of these assets are of limited value on a standalone basis and are not expected to generate sufficient proceeds to justify a separate sale

motion and hearing. In certain instances, the costs associated with storing, maintaining, removing, insuring, securing, or marketing such assets may equal or exceed the value that could be realized through a traditional sale process.

19. Accordingly, the Debtors propose to sell, transfer, or abandon De Minimis Assets under the following streamlined procedures that will maximize net recoveries and minimize further administrative expenses (the "De Minimis Asset Procedures"):

a. The De Minimis Asset Procedures shall provide two sale tracks: (a) any individual De Minimis Transaction or series of related De Minimis Transactions to a single buyer with a selling price less than or equal to $200,000 (each, a "Non-Noticed De Minimis Transaction"); and (b) any individual De Minimis Transaction or series of related De Minimis Transactions to a single buyer with a selling price greater than $200,000 but less than or equal to $1,000,000 (each, a "Noticed De Minimis Transaction").

i. For any Non-Noticed De Minimis Transaction, the Debtors may consummate the transaction without further order of the Court if the Debtors determine, in the reasonable exercise of their business judgment, that the transaction is in the best interests of their estates; provided that, if the fair market value of the relevant assets exceeds $200,000, the Debtors shall, to the extent reasonably practicable, provide e-mail notice at least two business days before consummation to the United States Trustee and counsel to the Committee.

ii. Any Non-Noticed De Minimis Transaction shall be free and clear of all liens, claims, interests, and encumbrances, with such liens, claims, interests, and encumbrances attaching only to the sale proceeds with the same validity, extent, and priority as immediately prior to the transaction.

iii. Each purchaser in a Non-Noticed De Minimis Transaction shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good-faith purchaser.

iv. For any Noticed De Minimis Transaction, the Debtors may consummate the transaction without further order of the Court, subject to the notice procedures set forth herein, if the Debtors determine, in the reasonable exercise of their business judgment, that the transaction is in the best interests of their estates.

v. Any Noticed De Minimis Transaction shall be free and clear of all liens, claims, interests, and encumbrances, with such liens, claims, interests, and encumbrances attaching only to the sale proceeds with the same validity, extent, and priority as immediately prior to the transaction.

vi. Each purchaser in a Noticed De Minimis Transaction shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good-faith purchaser.

vii. Before closing any Noticed De Minimis Transaction, the Debtors shall provide a written notice of the transaction by e-mail (each, a "De Minimis Transaction Notice") to the United States Trustee and counsel to the Committee, to all known parties holding or asserting liens, claims, encumbrances, or other interests in the assets being sold or transferred, and any other party requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties").

viii. Each De Minimis Transaction Notice shall identify the assets being sold, transferred, or otherwise disposed of, the proposed purchaser, the purchase price, and any other significant economic terms, including any fees or expenses to be paid in connection with the transaction.

ix. Notice Parties shall have five days after transmission of a De Minimis Transaction Notice to file and serve any objection. If any material economic term is amended after transmission of the notice and before the objection deadline, the Debtors shall serve a revised notice and the objection deadline shall be extended for an additional two days.

x. If no objection to a Noticed De Minimis Transaction is timely filed, the Debtors may immediately consummate the transaction. The Debtors may also consummate a Noticed De Minimis Transaction before the expiration of the objection period if they obtain written consent from the Notice Parties.

xi. Any objection to a Noticed De Minimis Transaction must be in writing and state the basis for the objection. If a timely objection is filed and not withdrawn or consensually resolved within three days after filing, the Debtors shall schedule a hearing to consider the unresolved objection on an expedited basis, and the transaction may be consummated if the objection is overruled, withdrawn, or otherwise resolved.

20. If the Debtors determine, in their reasonable business judgment, that a sale of any remaining asset cannot be consummated at a value greater than the reasonably estimated cost of liquidating, removing, storing, or otherwise disposing of that asset, the Debtors may abandon such asset without further order of the Court; provided that any abandoned assets with an aggregate value greater than $50,000 shall be subject to notice in accordance with the De Minimis Asset Procedures.

21. The Debtors will provide a written report to the Court, the United States Trustee, and counsel to the Committee, and parties requesting notice under Bankruptcy Rule 2002 no later than thirty days after the end of each calendar quarter, beginning with the first full quarter after entry of the requested order, describing any De Minimis Transactions and abandonments consummated during the preceding quarter.

ASSUMPTION AND ASSIGNMENT PROCEDURES

22. The Debtors are party to certain executory contracts and unexpired leases associated with De Minimis Assets. In some instances, a value-maximizing disposition of a De Minimis Asset may require the assumption and assignment of one or more such agreements. Absent streamlined procedures, the Debtors would be required to file separate motions to assume and assign such contracts and leases, resulting in additional administrative burden and delay in consummating De Minimis Transactions.

23. Accordingly, the Debtors request approval of the following assignment procedures (the "Assignment Procedures"): the Debtors may file and serve a notice of proposed assumption and assignment (an "Assignment Notice") identifying the contracts or leases to be assumed and assigned, the counterparties, the proposed assignee, the effective date, the proposed cure amount, and the deadlines and procedures for objecting; the Debtors shall serve the Assignment Notice on the affected counterparties, the proposed assignee, the United States Trustee, counsel to the committee, and any party requesting notice under Bankruptcy Rule 2002; if requested, the Debtors shall provide evidence of adequate assurance of future performance as soon as reasonably practicable, and any objection based on adequate assurance shall be extended for five days after such evidence is transmitted; objections to a proposed assumption and assignment, including cure objections and adequate assurance objections, must be filed and served within five days after service of the Assignment Notice; if no objection is timely filed, the applicable contract or lease may be assumed and assigned as set forth in the

Assignment Notice and the proposed cure amount shall be binding on the counterparties; if an objection is timely filed and not withdrawn or resolved within three days after filing, the Debtors shall schedule a hearing on an expedited basis; if an objection relates solely to cure, the Debtors may assume and assign the applicable contract or lease so long as the undisputed cure amount is paid and cash is reserved for the disputed portion; and the Debtors may remove any contract or lease from an Assignment Notice at any time before the effective date.

LEGAL BASIS

A. The De Minimis Asset Procedures Are Appropriate Under Sections 363(b) and 105(a) of the Bankruptcy Code.

24. Sections 363(b)(1) and 105(a) of the Bankruptcy Code authorize the Debtors, after notice and a hearing, to use, sell, or transfer estate property outside the ordinary course where supported by sound business reasons. Courts in the Fifth Circuit routinely approve such relief upon a showing of articulated business justification and sound business judgment.

25. The Debtors submit that the De Minimis Asset Procedures reflect a reasonable exercise of business judgment. Requiring a separate motion for each small residual-asset sale or transfer would impose unnecessary administrative expenses, delay transactions that may be available only for a short period, and reduce the net value available to the Debtors' estates at a time when the estates have limited liquidity and are transitioning to liquidation.

B. The Proposed De Minimis Asset Procedures Satisfy Section 363(f) of the Bankruptcy Code.

26. Section 363(f) of the Bankruptcy Code permits a debtor to sell property free and clear of interests if one or more of the statutory conditions in section 363(f)(1) through (5) is satisfied. The statute is disjunctive, so the Debtors need satisfy only one of those conditions with respect to a particular transaction.

27. Where a party receives notice of a proposed sale and does not object within the prescribed time, that party may be deemed to have consented to the sale for purposes of section

363(f)(2). The proposed notice and objection procedures therefore provide an appropriate basis to consummate noticed transactions free and clear, with all liens and other interests attaching to proceeds in the same validity, extent, and priority as before the transaction.

28. For the foregoing reasons, the Debtors submit that sales or transfers consummated under the De Minimis Asset Procedures may be approved free and clear of liens, claims, interests, and encumbrances, with such interests attaching only to proceeds and with all rights and defenses preserved.

C. The Proposed Abandonment Procedures Are Appropriate Under Section 554(a) of the Bankruptcy Code.

29. Section 554(a) of the Bankruptcy Code authorizes a debtor, after notice and a hearing, to abandon property of the estate that is burdensome or of inconsequential value and benefit to the estate. In a liquidation, that authority is particularly important where residual assets impose removal, storage, insurance, or compliance costs that exceed any likely realizable value.

30. Here, the Debtors may determine that certain remaining assets cannot be sold for an amount greater than the reasonably estimated cost of liquidating, removing, storing, or otherwise disposing of those assets. In those circumstances, requiring a separate motion for abandonment would only increase administrative expenses and further diminish already limited estate resources.

31. To the best of the Debtors' knowledge, abandonment pursuant to the proposed procedures would not violate laws reasonably designed to protect public health or safety. Where appropriate, the Debtors can remove or safeguard confidential information before abandoning any applicable equipment or other property.

32. Accordingly, the Debtors submit that the proposed abandonment procedures are necessary for the efficient administration of these chapter 11 cases and are in the best interests of the Debtors' estates and stakeholders.

D. Purchasers of De Minimis Assets Should be Entitled to the Protections of Section 363(m) of the Bankruptcy Code.

33. Bankruptcy Code section 363(m) provides in relevant part that the reversal or modification on appeal of an authorization under section 363(b) of a sale or lease of property does not affect the validity of a sale or lease under such authorization to a purchaser who bought or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal. *See* 11 U.S.C. § 363(m).

34. Any purchaser under the De Minimis Asset Procedures will acquire assets through an arm's-length process conducted pursuant to the Debtors' business judgment and subject, where applicable, to notice and an *opportunity to object*. The Debtors therefore submit that purchasers should be entitled to the protections of section 363(m) of the Bankruptcy Code.

E. Shortened Notice of the De Minimis Asset Sales is Appropriate.

35. Bankruptcy Rules 2002(a)(2) and 2002(i) ordinarily require at least twenty-one days' notice of a proposed sale outside the ordinary course. But the notice and hearing requirements of section 363(b)(1) are satisfied so long as notice and an opportunity for hearing are appropriate under the particular circumstances, and the Court may shorten the usual notice period for cause.

36. Cause exists here because the Debtors are winding down the estates with limited funding, and requiring twenty-one days' notice and a separate hearing for each residual-asset disposition would impose unnecessary cost and could cause the Debtors to lose sale opportunities that are available only for a limited time. The proposed procedures provide affected parties with notice and an opportunity to object while preserving value for the estates. Requiring a full motion practice process for each small disposition would impose unnecessary burdens on the Court and the estates, while the proposed procedures will help the Debtors monetize otherwise unusable or non-core assets, avoid further decline in value, eliminate

interim carrying costs, and expedite the liquidation of the remaining estates for the benefit of stakeholders.

WAIVER OF BANKRUPTCY RULE 6004(a) AND 6006(h)

37. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the fourteen-day stay period under Bankruptcy Rule 6004(h).

RESERVATION OF RIGHTS

38. Nothing contained in this Motion or any actions taken by the Debtors pursuant to any order granting the relief requested by this Motion is intended or should be construed as: (a) an admission as to the validity, priority, or amount of any particular claim against any Debtor under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a waiver of the obligation of any party in interest to file a proof of claim; (f) a waiver of any claims or causes of action that may exist against any creditor or interest holder; (g) an admission as to the validity of any liens or other interests satisfied pursuant to this Motion; or (h) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code except in accordance with the Assignment Procedures or further order of the Court. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

NOTICE

39. Notice of this Motion will be provided by first-class mail and/or e-mail or facsimile to those parties on the Master Service List and the other parties entitled to notice under the circumstances. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

EMERGENCY RELIEF

40. The Debtors request emergency consideration of this Motion because they are actively pursuing the sale and liquidation of their remaining assets and have limited liquidity available to administer their estates. Without the requested relief, the Debtors may incur unnecessary storage, maintenance, insurance, and other carrying costs associated with residual assets while seeking separate Court approval for individual dispositions. The requested procedures will allow the Debtors to efficiently monetize or abandon such assets, reduce administrative expenses, and preserve value for creditors. Accordingly, the Debtors respectfully submit that cause exists for emergency consideration of this Motion.

PRAYER

WHEREFORE, the Debtors respectfully request that the Court enter the Proposed Order granting the relief requested in this Motion, grant emergency consideration of this Motion, and grant such relief no later than June 29, 2026, together with such other and further relief as is appropriate under the circumstances.

Dated: June 24, 2026

Respectfully submitted,

NORTON ROSE FULBRIGHT US LLP

By: */s/ Ryan Manns*
Ryan Manns (SBT 24041391)
Maria Mokrzycka (SBT 24119994)
1550 Lamar, Suite 2000
Houston, TX 77010
Tel: (713) 651-5151
Email: ryan.manns@nortonrosefulbright.com
Email: maria.mokrzycka@nortonrosefulbright.com

-and-

Jason I. Blanchard (SBT 24130197)
Michael Berthiaume (SBT 24066039)
2200 Ross Avenue, Suite 3600
Dallas, TX 75201
Tel: (214) 855-8210
Email: jason.blanchard@nortonrosefulbright.com
Email: michael.berthiaume@nortonrosefulbright.com

Counsel to the Debtors and Debtors in Possession

Certificate of Service

I certify that on June 24, 2026, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. Additionally, the foregoing document will be served as set forth in a forthcoming affidavit filed by the Debtors' claims agent.

/s/ Ryan Manns
Ryan Manns

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

In re:	)	Chapter 11
ASCEND ELEMENTS, INC., *et al.*,[1]	)	Case No. 26-90440 (CML)
Debtors.	)	(Jointly Administered)

ORDER (I)(A) ESTABLISHING PROCEDURES FOR THE SALE, TRANSFER, AND ABANDONMENT OF DE MINIMIS ASSETS, FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES; (B) APPROVING PROCEDURES TO ASSUME AND ASSIGN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (II) GRANTING RELATED RELIEF

[Relates to Dkt. No. ___]

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (the "Debtors") seeking entry of an order (this "Order") pursuant to sections 105(a), 363, 365, and 554(a) of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, 6006, 6007, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9013-1 of the Local Bankruptcy Rules for the Southern District of Texas (the "Local Rules"), establishing procedures for the sale, transfer, and abandonment of De Minimis Assets, approving procedures to assume and assign executory contracts and unexpired leases in connection with De Minimis Transactions, and granting related relief; and this Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Ascend Elements, Inc. (2893) Ascend Elements US, LLC 8309. The location of the Debtors' service address is: 133 Flanders Road, Westborough, MA 01581.

[2] Capitalized terms used and not defined herein have the meanings ascribed to them in the Motion.

creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and that no other notice need be provided; and this Court having reviewed the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Debtors are authorized pursuant to sections 363, 554(a), and 105(a) of the Bankruptcy Code and Bankruptcy Rule 6004 to sell, transfer, or abandon De Minimis Assets in accordance with the following procedures (the "De Minimis Asset Procedures"):

   a. The De Minimis Asset Procedures shall provide two sale tracks: (a) any individual De Minimis Transaction or series of related De Minimis Transactions to a single buyer with a selling price less than or equal to $200,000 (each, a "Non-Noticed De Minimis Transaction"); and (b) any individual De Minimis Transaction or series of related De Minimis Transactions to a single buyer with a selling price greater than $200,000 but less than or equal to $1,000,000 (each, a "Noticed De Minimis Transaction").

      i. For any Non-Noticed De Minimis Transaction, the Debtors may consummate the transaction without further order of the Court if the Debtors determine, in the reasonable exercise of their business judgment, that the transaction is in the best interests of their estates; provided that, if the fair market value of the relevant assets exceeds $200,000, the Debtors shall, to the extent reasonably practicable, provide e-mail notice at least two business days before consummation to the United States Trustee and counsel to the Committee.

      ii. Any Non-Noticed De Minimis Transaction shall be free and clear of all liens, claims, interests, and encumbrances, with such liens, claims, interests, and encumbrances attaching only to the sale proceeds with the same validity, extent, and priority as immediately prior to the transaction.

      iii. Each purchaser in a Non-Noticed De Minimis Transaction shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good-faith purchaser.

      iv. For any Noticed De Minimis Transaction, the Debtors may consummate the transaction without further order of the Court, subject to the notice procedures set forth herein, if the Debtors determine, in the reasonable

exercise of their business judgment, that the transaction is in the best interests of their estates.

v. Any Noticed De Minimis Transaction shall be free and clear of all liens, claims, interests, and encumbrances, with such liens, claims, interests, and encumbrances attaching only to the sale proceeds with the same validity, extent, and priority as immediately prior to the transaction.

vi. Each purchaser in a Noticed De Minimis Transaction shall be afforded the protections of section 363(m) of the Bankruptcy Code as a good-faith purchaser.

vii. Before closing any Noticed De Minimis Transaction, the Debtors shall provide a written notice of the transaction by e-mail (each, a "De Minimis Transaction Notice") to the United States Trustee and counsel to the Committee, all known parties holding or asserting liens, claims, encumbrances, or other interests in the assets being sold or transferred, and any other party requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties").

viii. Each De Minimis Transaction Notice shall identify the assets being sold, transferred, or otherwise disposed of, the proposed purchaser, the purchase price, and any other significant economic terms, including any fees or expenses to be paid in connection with the transaction.

ix. Notice Parties shall have five days after transmission of a De Minimis Transaction Notice to file and serve any objection. If any material economic term is amended after transmission of the notice and before the objection deadline, the Debtors shall serve a revised notice and the objection deadline shall be extended for an additional two days.

x. If no objection to a Noticed De Minimis Transaction is timely filed, the Debtors may immediately consummate the transaction. The Debtors may also consummate a Noticed De Minimis Transaction before the expiration of the objection period if they obtain written consent from the Notice Parties.

xi. Any objection to a Noticed De Minimis Transaction must be in writing and state the basis for the objection. If a timely objection is filed and not withdrawn or consensually resolved within three days after filing, the Debtors shall schedule a hearing to consider the unresolved objection on an expedited basis, and the transaction may be consummated if the objection is overruled, withdrawn, or otherwise resolved.

2. If the Debtors determine, in their reasonable business judgment, that a sale of any remaining asset cannot be consummated at a value greater than the reasonably estimated cost of liquidating, removing, storing, or otherwise disposing of that asset, the Debtors may

abandon such asset without further order of the Court; provided that any abandoned assets with an aggregate value greater than $50,000 shall be subject to notice in accordance with the De Minimis Asset Procedures. Before abandoning any asset that may contain personal or confidential information, the Debtors shall remove or safeguard such information to the extent reasonably practicable.

3. The Debtors shall provide a written report to the Court, the United States Trustee, counsel to the Committee, and parties requesting notice under Bankruptcy Rule 2002 no later than thirty days after the end of each calendar quarter, beginning with the first full quarter after entry of this Order, describing any De Minimis Transactions and abandonments consummated during the preceding quarter.

4. No timely objection to a De Minimis Transaction following service of the applicable De Minimis Transaction Notice shall be deemed consent to such transaction within the meaning of section 363(f)(2) of the Bankruptcy Code.

5. Transactions consummated pursuant to this Order shall be binding upon and govern the acts of all entities including, without limitation, filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract to accept, file, register, or otherwise record or release any documents or instruments. Each such governmental agency or department is directed to accept this Order as sole and sufficient evidence of the transfer of title contemplated hereby.

6. Nothing contained herein shall prejudice the Debtors' right to seek Court authorization for the sale, transfer, or abandonment of any asset of the Debtors by separate motion.

7. Nothing in the Motion or this Order or the relief granted herein shall be construed as (a) authority to reject any executory contract or unexpired lease, or as a request for the same; (b) an admission as to the validity, priority, or character of any claim or other asserted right or obligation, or a waiver or other limitation on the Debtors' ability to contest the same on any ground permitted by bankruptcy or applicable nonbankruptcy law; (c) a promise to pay any claim or other obligation; (d) granting third-party beneficiary status or bestowing any additional rights on any third party; or (e) otherwise enforceable by any third party except as expressly set forth herein. For the avoidance of doubt, approval of this Order does not itself assume or assign any specific executory contract or unexpired lease except in accordance with the Assignment Procedures.

8. The Debtors are authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this Order, including paying those reasonable and necessary fees and expenses incurred in the sale, transfer, or abandonment of De Minimis Assets, including commission fees to agents, brokers, auctioneers, and liquidators.

9. Notwithstanding anything to the contrary herein, any De Minimis Transaction with an insider (as defined in section 101 of the Bankruptcy Code) shall be treated as a Noticed De Minimis Transaction irrespective of the purchase price.

10. The Debtors are authorized, but not required, pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, to assume and assign executory contracts and unexpired leases in connection with De Minimis Transactions in accordance with the following procedures (the "Assignment Procedures"): the Debtors may file and serve an Assignment Notice identifying the contracts or leases to be assumed and assigned, the counterparties, the proposed assignee, the effective date, the proposed cure amount, and the deadlines and procedures for objecting; the Debtors shall serve the Assignment Notice on the affected counterparties, the proposed assignee, the United States Trustee, counsel to the official

committee of unsecured creditors, and any party requesting notice under Bankruptcy Rule 2002; and, if requested, the Debtors shall provide evidence of adequate assurance of future performance as soon as reasonably practicable, with any objection based on adequate assurance extended for five days after transmission of such evidence.

11. Objections to a proposed assumption and assignment, including objections to cure amounts and adequate assurance of future performance, must be filed and served within five days after service of the Assignment Notice. If no objection is timely filed, the applicable contract or lease may be assumed and assigned as of the date set forth in the Assignment Notice, the cure amount shall be binding, and counterparties shall be barred from objecting to the assumption and assignment, cure amount, or adequate assurance. If an objection is timely filed and not withdrawn or resolved within three days after filing, the Debtors shall schedule a hearing on an expedited basis; provided that, if an objection relates solely to cure, the Debtors may assume and assign the applicable agreement so long as the undisputed cure amount is paid and cash is reserved for the disputed portion.

12. The Debtors may remove any contract or lease from an Assignment Notice at any time before the effective date. Subject to and conditioned upon the occurrence of the applicable closing and except as otherwise provided in this Order, any contract or lease assigned pursuant to the Assignment Procedures shall be transferred free and clear of all liens, claims, interests, and encumbrances, with all rights and defenses preserved.

13. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a)

14. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon entry.

15. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order.

16. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.