



AscentTM

Investor Presentation

November 2023

Forward Looking Statement Safe Harbor and Non-GAAP Information

Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable federal securities laws. All statements that are not historical facts are forward-looking statements. Forward looking statements can be identified through the use of words such as "estimate," "project," "intend," "expect," "believe," "should," "anticipate," "hope," "optimistic," "plan," "outlook," "should," "could," "may" and similar expressions. The forward-looking statements are subject to certain risks and uncertainties, including without limitation those identified below, which could cause actual results to differ materially from historical results or those anticipated. Readers are cautioned not to place undue reliance on these forward-looking statements. The following factors could cause actual results to differ materially from historical results or those anticipated: adverse economic conditions, including risks relating to the impact and spread of and the government's response to COVID-19; inability to weather an economic downturn; the impact of competitive products and pricing; product demand and acceptance risks; raw material and other increased costs; raw material availability; financial stability of the Company's customers; customer delays or difficulties in the production of products; loss of consumer or investor confidence; employee relations; ability to maintain workforce by hiring trained employees; labor efficiencies; risks associated with acquisitions; environmental issues; negative or unexpected results from tax law changes; inability to comply with covenants and ratios required by the Company's debt financing arrangements; and other risks detailed from time-to-time in Ascent Corporation's Securities and Exchange Commission filings, including our Annual Report on Form 10-K, which filings are available from the SEC. Ascent Corporation assumes no obligation to update any forward-looking information included in this release.

Non-GAAP Financial Information

Financial statement information included in this presentation includes non-GAAP (Generally Accepted Accounting Principles) measures and should be read along with the accompanying tables which provide a reconciliation of non-GAAP measures to GAAP measures.

Adjusted EBITDA is a non-GAAP financial measure that the Company believes is useful to investors in evaluating its results to determine the value of a company. An item is excluded in the measure if its periodic value is inconsistent and sufficiently material that not identifying the item would render period comparability less meaningful to the reader or if including the item provides a clearer representation of normalized periodic earnings. The Company excludes in Adjusted EBITDA two categories of items: 1) Base EBITDA components, including: interest expense (including change in fair value of interest rate swap), income taxes, depreciation and amortization, and 2) Material transaction costs including: goodwill impairment, asset impairment, gain on lease modification, stock-based compensation, non-cash lease cost, acquisition costs and other fees, proxy contest costs and recoveries, loss on extinguishment of debt, earn-out adjustments, realized and unrealized (gains) and losses on investments in equity securities and other investments, retention costs, and restructuring & severance costs from net income.

Management believes that these non-GAAP measures are useful because they are key measures used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions as well as allow readers to compare the financial results between periods. Non-GAAP measures should not be considered as an alternative to any measure of performance or financial condition as promulgated under GAAP, and investors should consider the Company's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the Company. Non-GAAP measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the Company's results or financial condition as reported under GAAP.

Ascent Industries Co. Overview

Ascent Snapshot

- ✓ Nasdaq: ACNT
- ✓ Founded in 1945
- ✓ Based in Oak Brook, IL
- ✓ ~700 employees
- ✓ 8 manufacturing and distribution facilities
- ✓ Proprietary capabilities providing wide range of industrial and mission critical infrastructure solutions



Who We Are

Growth oriented manufacturer and distributor of stainless steel and seamless carbon pipe & tube, and specialty chemicals



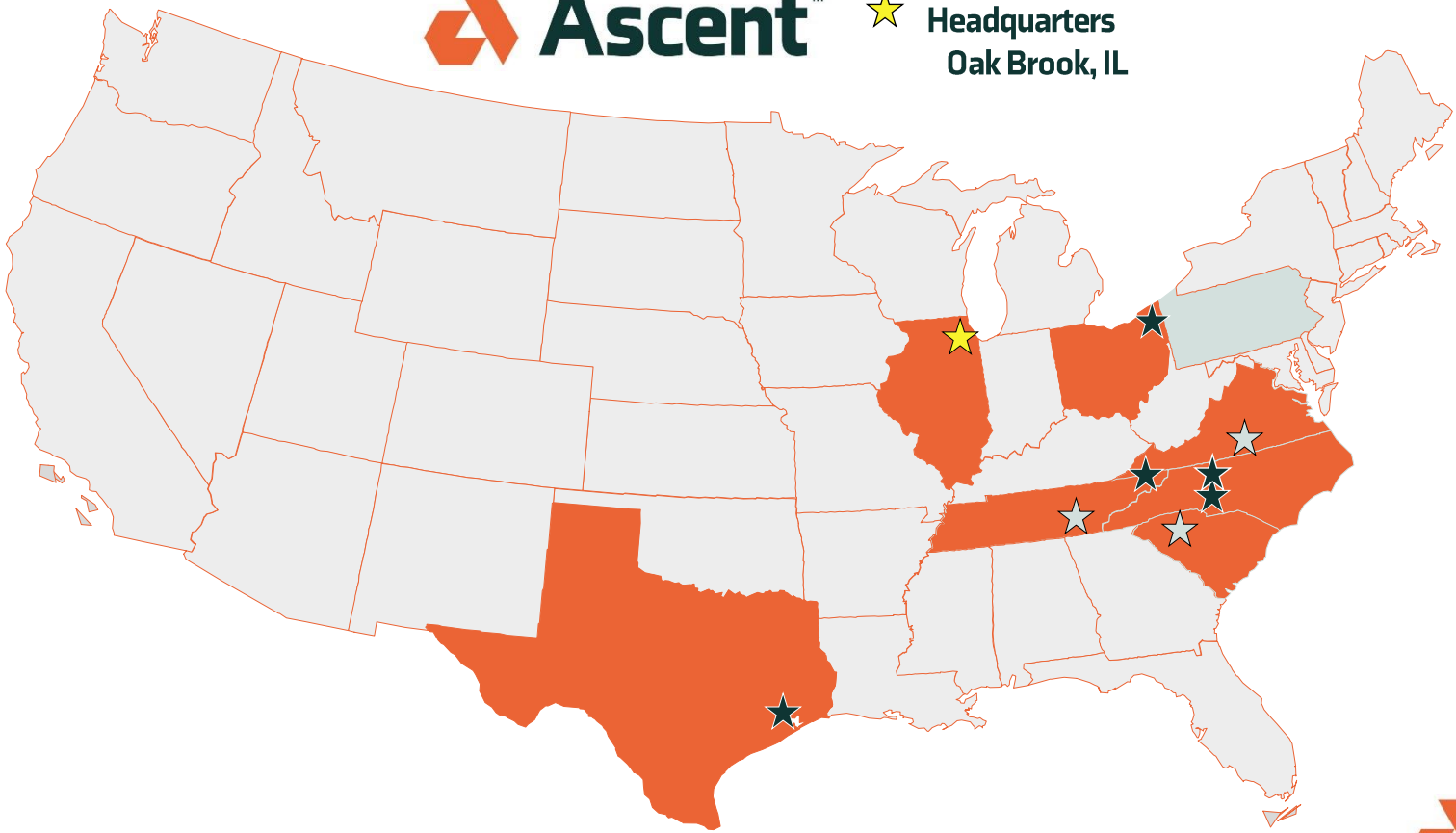
65%

of YTD total net sales

- ★ **Tubular Locations**
- Bristol, TN
 - Troutman, NC
 - Statesville, NC
 - Mineral Ridge, OH
 - Houston, TX



★ **Headquarters**
Oak Brook, IL



35%

of YTD total net sales

- ★ **Chemicals Locations**
- Danville, VA
 - Fountain Inn, SC
 - Cleveland, TN



Transformation Well Underway...

Foundational changes implemented since new leadership team took control in November 2020

What We Inherited

- Portfolio of diverse and leading businesses that had not been integrated following acquisition
- Limited hands-on leadership
- Bloated corporate cost structure
- Undermanaged operations leading to below industry standard margins
- Inefficient cash conversion cycle
- No clear organic growth or acquisition strategy



What We've Done

- ✓ Recruited experienced operational leaders across the entire organization
- ✓ Stabilized operational execution
- ✓ Produced multiple consecutive quarters of profitable growth
- ✓ Refined growth strategy and executed first acquisition of complementary specialty chemicals manufacturer
- ✓ Raised \$10M through a fully subscribed rights offering to support future growth initiatives
- ✓ Repurchased 187,486 shares since inception of Company buyback in August 2022

Path Forward

- Continued efficiencies in production processes to enhance margins
- Develop and expand commercial positioning to accelerate organic sales growth
- Invest further in production capabilities and automation to provide all-encompassing solutions to our customers
- Focus on working capital improvement and consistent free cash flow generation
- Growth through strategic and accretive M&A to further diversify product portfolio

Q3 2023 Segment Results

	Q3 2023		Performance Commentary
	Sales	Adj. EBITDA	
 Ascent Tubular Products™	\$36.1M Down 29%	\$2.6M Down 70%	<ul style="list-style-type: none">✓ Challenging end market conditions persisted in the third quarter✓ Necessary operational initiatives implemented throughout 2023 are complete and provide the foundation for the achievement of the Company's long-term strategic goals
 Ascent Chemicals™	\$20.1M Down 27%	\$1.0M Down 62%	

Note: Financial results for Ascent Tubular Products represent continuing operations and exclude any contribution from the Company's facility that is in process of closure located in Munhall, PA

Ascent Tubular Products



Ascent Tubular Products Portfolio Brands

Bristol Tubular Products

- ✓ Largest domestic manufacturer of welded stainless steel, duplex, and nickel alloy pipe and tube

American Stainless Tubing

- ✓ The standard in the production of premium ornamental stainless steel tubing

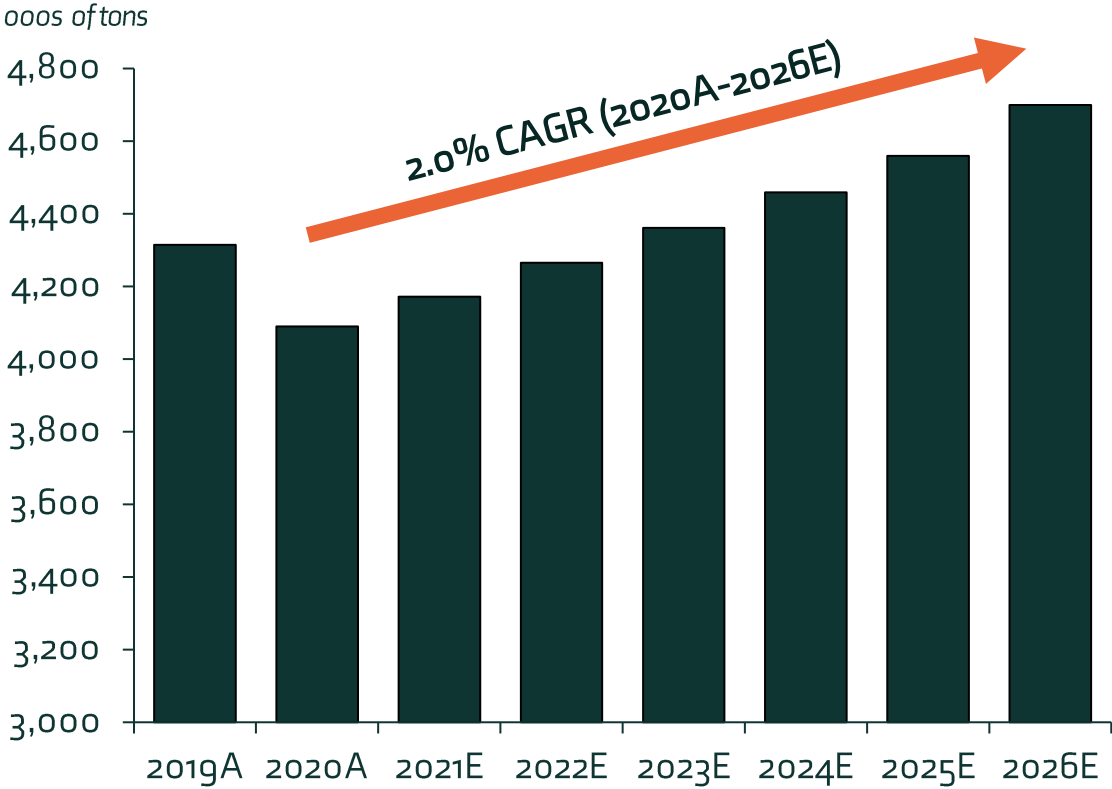
Specialty Pipe & Tube

- ✓ Leading master distributor for large diameter, hot finish seamless carbon steel pipe, and mechanical tubing



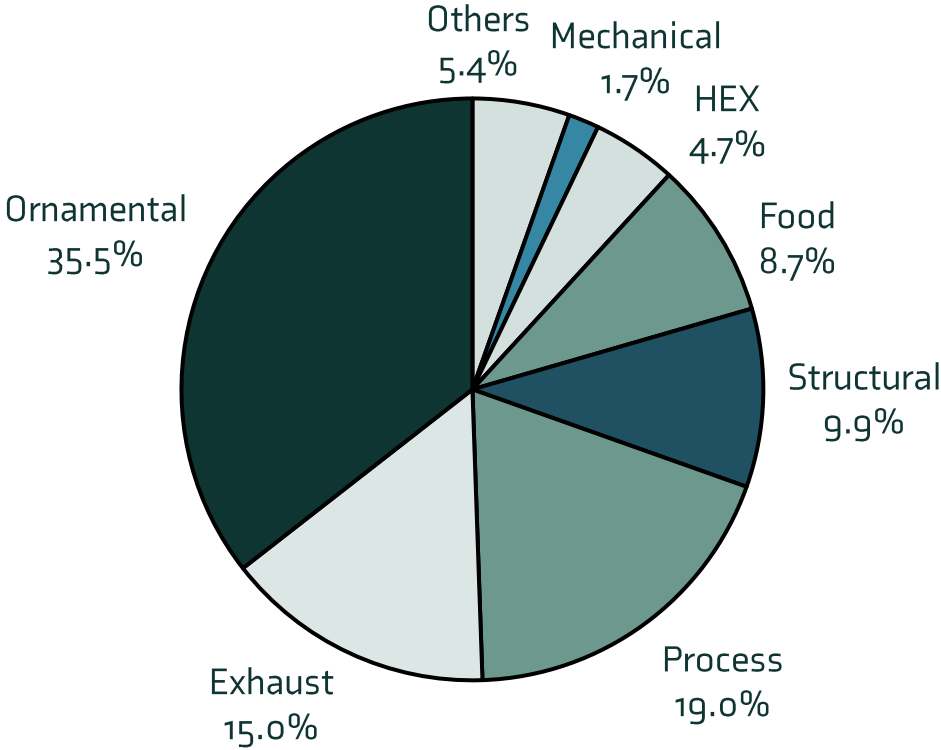
Ascent Tubular Products Opportunity

World Market for Stainless Steel Welded Tube & Pipe



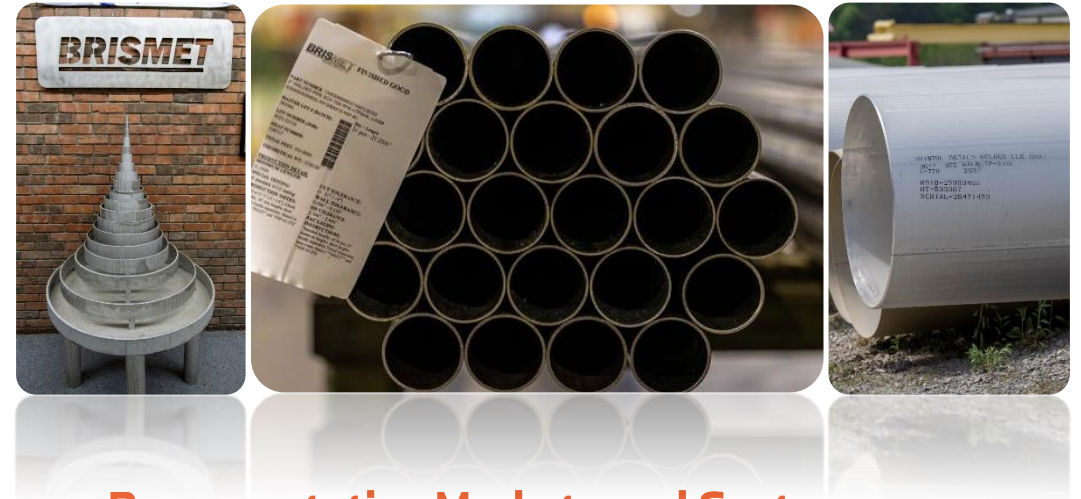
Sources: SMR Steel & Metals Research, The World Market for Stainless Steel Welded Tube & Pipe

Tube and Pipe Market Structure (2026E)



Bristol Tubular (“BRISMET”)

- Founded in 1941 and acquired by Ascent in 1964
- Located in Bristol, TN and Munhall, PA
- One of the largest producers of welded stainless steel, duplex, and nickel alloy pipe and tube in North America
- Extensive ranges of sizes, materials, and in-house capabilities
 - 20 continuous mills with production range of 3/8” – 18” outside diameter (“OD”)
 - Batch lines from 8” – 144” OD with heavy wall thickness up to 1.312” and 48’ length
- Value added services include: annealing, heat treat, pickling, and many others
- ISO-9001-2015, NSF 61, ASME, PED certifications



Representative Markets and Customers

- ✓ Chemical
- ✓ LNG
- ✓ Nuclear
- ✓ Water
- ✓ Pulp & Paper
- ✓ Oil & Gas



American Stainless Tubing (“ASTI”)

- Founded in 1994 and acquired by Ascent in 2019
- Located in Troutman and Statesville, NC
- Leading manufacturer of premium ornamental stainless steel tubing
- Differentiated capabilities:
 - Slitting and welding
 - Proprietary finishing processes
- Superior metal quality and highest levels of customer service:
 - 20 continuous mills producing ½ inch to 5-inch OD
 - Variety of shapes, including squares, rectangles and ellipsicals
- ISO 9001-2015 certification ensuring quality and consistency



Representative Markets and Customers

- ✓ Marine industry
- ✓ Automotive
- ✓ Food Service
- ✓ Hospital equipment
- ✓ Pool, Handrails



Specialty Pipe and Tube (“Specialty”)

- Founded in 1964 and acquired by Ascent in 2014
- Located in Houston, TX and Mineral Ridge, OH
- Nation’s leading distributor of large diameter, heavy wall, hot finish, and seamless carbon steel pipe & tube
- Immediate availability of long-lead time items
- Full line of Approved Materials List inventory
- Proud distributor of world class products supplied by:



- ISO 9001-2015 certification ensuring quality and consistency



Representative Markets and Customers

- ✓ Heavy equipment
- ✓ Construction
- ✓ High pressure applications
- ✓ Chemical
- ✓ Oil and Gas



Why Ascent Tubular Products is Positioned to Win



PREMIUM PRODUCTS

Manufacturing capabilities include the ability to produce the most extensive range and finishes of domestic stainless pipe and tubular products with a focus on mission critical infrastructure, marine, and consumer applications

CUSTOMER FOCUS

Dramatically improved on-time delivery by driving market share gains through improved inventory assortment and expanded product offerings

OPERATIONAL EXCELLENCE

Cardinal operational rules developed and implemented focusing on “right the first time” efficiency through automation and production team ownership of safety, reliability, and customer satisfaction

REINVIGORATED CULTURE

Deliberate and successful focus on safety improvements with a demonstrated commitment to employee training, development, and well-being

GROWTH MINDSET

Rebuilt sales effort focused on a “one team” approach to earn a larger wallet share of our customers’ spend through collaboration and communication across products and locations



Ascent Chemicals



Ascent Chemicals Investment Highlights

Ascent Chemicals expected to be growth engine for the Company's success over the long-term

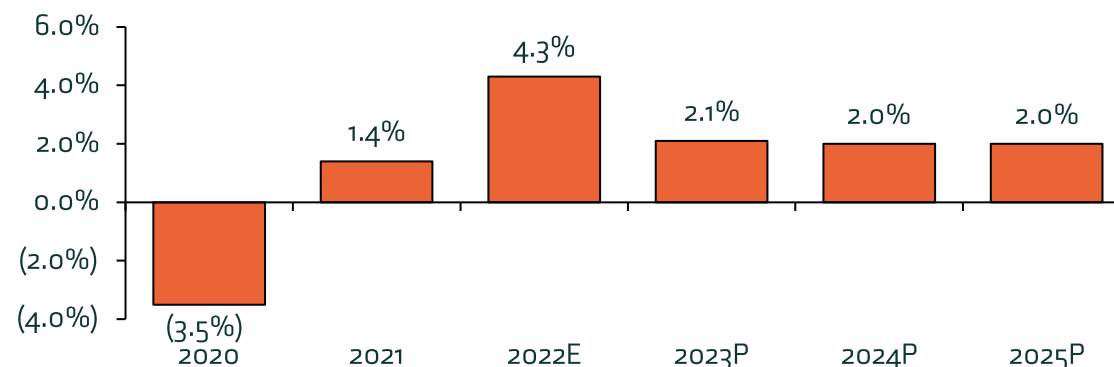
- 1** Flexible and nimble production capacity across three sites with **one of the largest fleets of horizontal reactors** in the industry
- 2** Unique engineering and process capabilities, with decades of experience and differentiated capabilities
- 3** Niche leader in fragmented \$500B specialty chemicals market with **proven acquisition capabilities**
- 4** Highly recurring revenue from blue-chip customers addressing diversified end markets



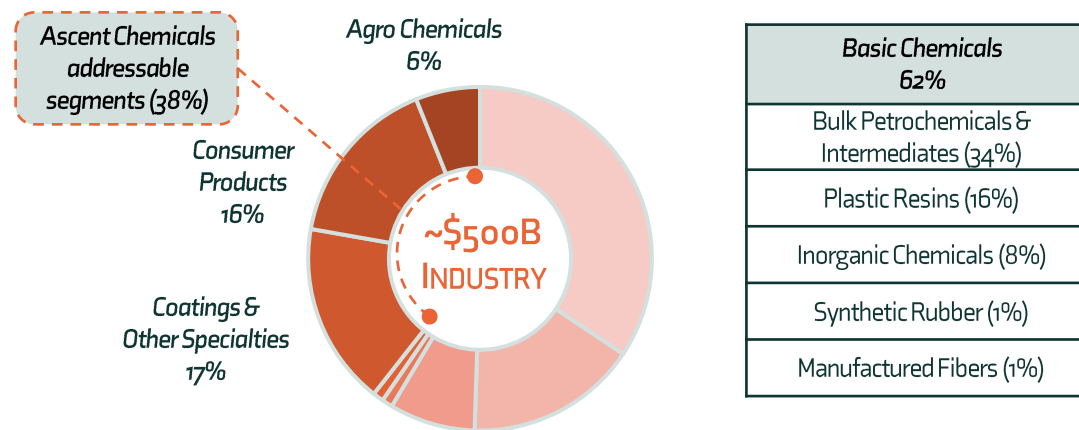
Ascent Chemicals Opportunity

- Ascent Chemicals addresses ~40% of \$500B industry creating ample room for growth in adjacent end markets
- U.S. chemical production driven by strong end-user demand and shoring up of supply chains
 - Mid-to-long term growth to stabilize near 2%
- **Increased outsourcing** as larger chemical companies increasingly look to focus their capital allocation on core offerings while still having an extensive variety of products
- Preference for reliable partners to provide smaller-volume, high-value products
- Preference for domestic U.S. sourcing
 - Persistent global supply chain disruptions increasing demand for U.S. domestic sourcing in order to improve reliability

Total U.S. Chemical Industry Volume Growth^[1]



U.S. Chemical Industry by End Market



[1] Total chemical volume production in the U.S. excluding pharmaceuticals
Sources: American Chemistry Council, SOCMA

Wide-Ranging Capabilities Providing Solutions for Blue-Chip Customers

Value Proposition

- ✓ Unique capabilities and process ingenuity involving industry-leading fleet of horizontal and vertical reactors
- ✓ Multitude of equipment that can support single-step to complex, multi-step processes
- ✓ Highly specialized products are typically critical ingredients in the overall product or system for blue-chip customer base
 - Numerous materials for which Ascent Chemicals is the sole source for its customers
- ✓ Multi-site, diverse asset platform creates value-add for customers in the form of enhanced capabilities and operational redundancies



Process Capabilities

Key Chemical Reactions

- | | |
|------------------|------------------|
| ✓ Acetylation | ✓ Methylation |
| ✓ Amidation | ✓ Phosphating |
| ✓ Condensation | ✓ Polymerization |
| ✓ Esterification | ✓ Quaternization |

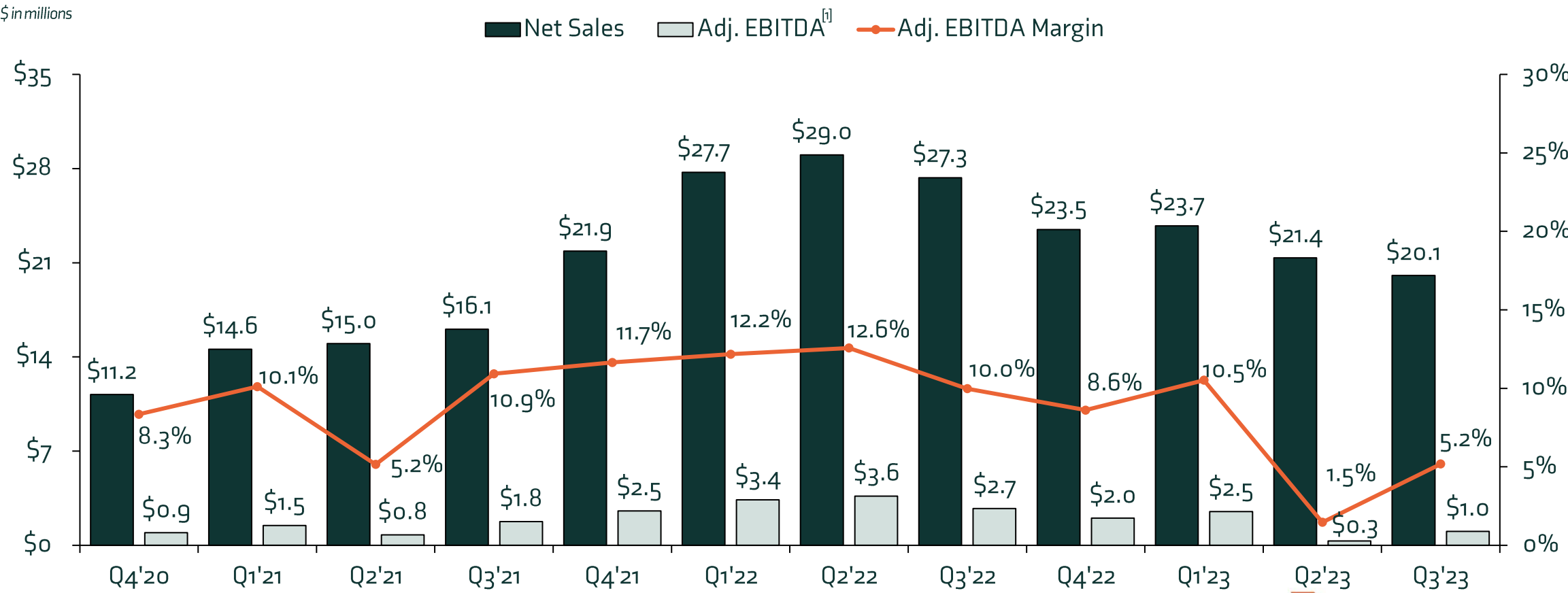
Key Unit Operations

- | | |
|------------------|------------------|
| ✓ Blending | ✓ High Viscosity |
| ✓ Centrifugation | ✓ Mixing |
| ✓ Drying | ✓ Encapsulation |
| ✓ Emulsification | ✓ Filtration |



Ascent Chemicals Financial Overview

Broad-based pullback in volumes and destocking trends impacting results, new leadership in place to drive achievement of long-term strategic goals



[1] See appendix for non-GAAP reconciliation

DanChem Acquisition Case Study

Overview

- Ascent purchased DanChem in October 2021 for \$33.0M
 - Acquired for approximately 6x adjusted EBITDA
- DanChem possesses unique capabilities and ingenuity of process engineering, decades of experience, and the largest horizontal reactor suite in the industry
- ~85% of the company's revenue is recurring from blue-chip customers in diversified and attractive end-markets, including CASE (coatings, adhesives, sealants, and elastomers)
- Strong, continued growth on recurring revenue base expected to yield significant margin expansion – especially as best-practices and cost synergies take form throughout the broader organization

Strategic Rationale



Acceleration of Product Development Capabilities



Larger Presence in Target End-Markets



Expansion of Product Offerings



Creation of Leading, Scaled Manufacturing Platform



Acquisition of Top-Tier Management Team to Lead the Combined Operation

Why Ascent Chemicals is Positioned to Win



DIVERSIFIED CAPABILITIES

Highly diversified capabilities for complex chemical synthesis. Diverse set of equipment and processes provides customers unmatched flexibility, capabilities, and responsiveness

PROCESS INGENUITY

We bring creative solutions to complex problems. This means pushing forward new and customized approaches purpose-built to our customers' needs

OPERATIONAL AGILITY

We are willing to flex our operations and processes to accommodate the needs of our customers, often creating highly customized solutions

ORGANIZATIONAL VELOCITY

We refuse to stand still. We move quickly to respond to our customers' challenges, treating their time like our own

GROWTH MINDSET

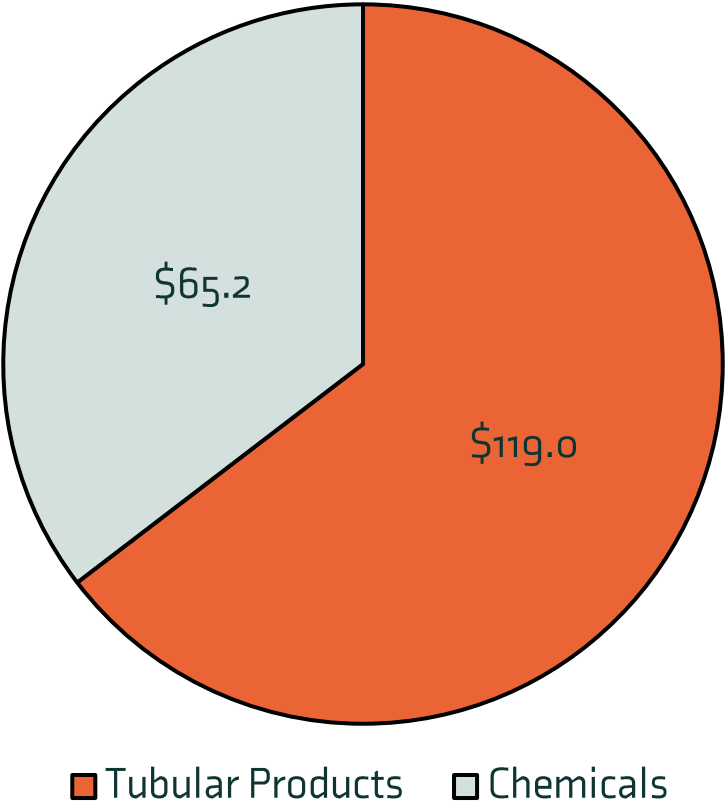
Robust sales infrastructure investments in late innings to accelerate key customer and proprietary product sales and commercialization



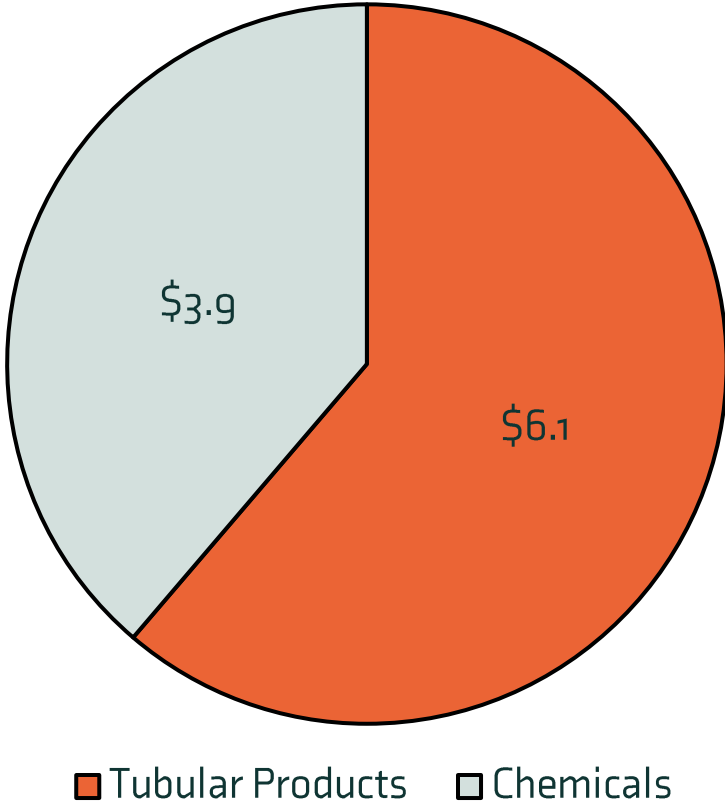
Driving Long-Term Shareholder Value

Financial Performance - YTD as of 09/30/23

Net Sales



Segment Adjusted EBITDA^[1]



[1] See appendix for non-GAAP reconciliation
Note: \$ in millions. Financial results for Ascent Tubular Products represent continuing operations and exclude any contribution from the Company's facility that is in process of closure located in Munhall, PA

“One Team” – Corporate ESG Initiatives

FOUNDATIONAL PILLAR

ENVIRONMENTAL

Ascent strives to reduce its environmental impact daily, and believes that sustainability is core to the long-term success of our business

SOCIAL

Ascent is committed to diversity, inclusion and respect. We seek to nurture and maintain an environment that attracts the highest caliber team members and betters our communities

GOVERNANCE

Ascent has been enhancing and expanding ESG policies to ensure a robust culture of accountability, stewardship, and independent oversight

IN ACTION

Our raw materials are sourced from facilities using electric arc furnaces to lower the environmental impact of our steel consumption. Further, our operational and production process improvements have contributed to a significant reduction in scrap formation

Ascent dedicates itself to being a good corporate citizen and supports a number of charitable organizations through monetary donations and hands-on participation at all its locations

Our board of directors is elected annually, with a majority of directors independent. Our management and board represent ~30% of the ownership of our common stock^[1], with executive compensation skewing almost entirely “performance-based”

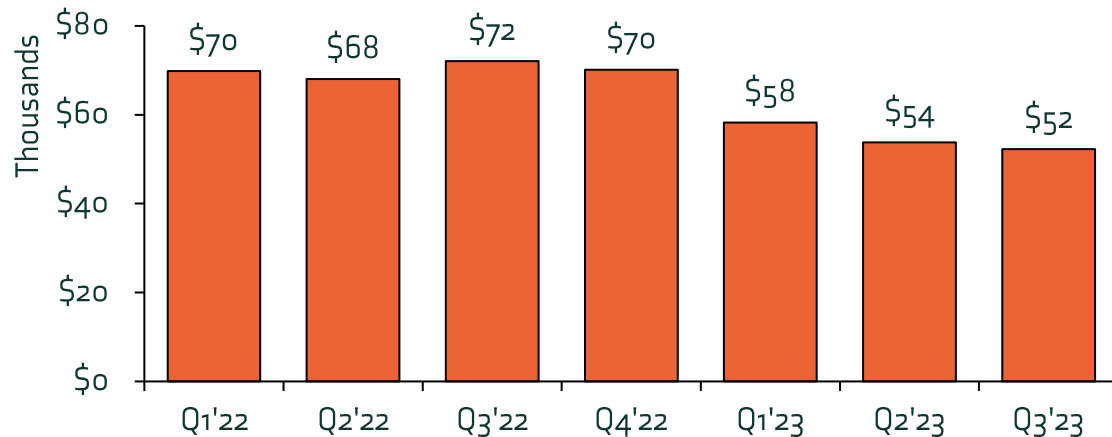
[1] Inclusive of shares held by Privet Fund Management where Executive Chairman, Ben Rosenzweig, serves as a Partner

Strong Liquidity Position to Support Capital Allocation Priorities

Stable Balance Sheet

- \$0.7 million in cash as of 09/30/23
- \$41.8 million available borrowing capacity
 - \$40 million in additional borrowing capacity through committed accordion feature
- Raised \$10 million in gross proceeds from a fully subscribed rights offering that concluded in December 2021

Net Debt



Capital Allocation Priorities

Continue to opportunistically repurchase shares in addition to:

Pursuing Strategic and Accretive Acquisitions

- Investments aligned with core strengths driving high returns
- Expand capabilities for growth in value-added products and solutions
- Access to new, growing, and sustainable markets
- Expand geographic reach of our products

Investing in Manufacturing Capabilities and Facility Improvements

- Innovative, value-added products in attractive markets to further differentiate ourselves
- Production efficiency through automation
- Increase sales footprint
- Protect and extend the life of current capital assets

Strategic and Disciplined Approach to M&A

Thoughtful Acquisition Strategy

- Leverage our go-to-market strategy and customer relationships, including our extensive distribution network, to source strategic and proprietary opportunities
- Build out adjacencies to current portfolio in existing markets or further increase geographic reach through access to incremental markets
- Drive enhanced returns through automation of redundant and manual operational processes
- Continue to be opportunistic while utilizing cost-efficient capital and maintaining a strong balance sheet

Target Strategic & Financial Criteria



Market Leadership and Key Product Category



Geographic/Market Expansion



Executable Cost and Revenue Synergies



Strong Cultural Fit



ROIC > Cost of Capital



Demonstrable Growth Potential

Our goal is to increase free cash flow through sustainable organic growth, accretive acquisitions, and continuous operational efficiencies

Experienced Leadership Team

Company leadership is directly aligned with stockholders – insider ownership of ~30% of outstanding shares^[1]



Ben Rosenzweig
*Executive
Chairman*

- Partner at Privet Fund Management
- Has served on the board of directors of eight publicly traded companies
- Graduated magna cum laude from Emory University with Bachelor's degree in finance and economics



Bill Steckel
Chief Financial Officer

- 20+ years of CFO experience with both public and private companies
- Former CFO of Telular Corp. and Great Lakes Dredge & Dock Corp (NASDAQ: GLDD)
- Holds an MBA from Western Illinois University



Chris Hutter
*CEO &
President*

- Co-founder and manager of UPG Enterprises
- 10+ years of experience in the metals industry
- Holds an MBA from Lewis University and graduated cum laude from University of Illinois with a bachelor's degree in finance



Doug Tackett
Chief Legal Officer

- 20+ years of legal experience, including private practice and with global corporations
- Most recent roles include serving as CLO for two Nasdaq-listed companies
- Holds a JD from the University of Memphis

[1] Inclusive of shares held by Privet Fund Management where Executive Chairman, Ben Rosenzweig, serves as a Partner

Ascent Highlights

1

Currently in the middle innings of a transformation and growth strategy, with proven results since new management was put in place

2

Two business segments well-positioned to capture market share and better serve their respective customers through both organic and inorganic growth

3

Overall improving and stabilizing operational performance since implementation of transformation strategy

4

Strong liquidity position and thoughtful capital allocation priorities to support growth initiatives

5

New leadership team in place with significant industry experience to drive profitable growth



Contact Us



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Appendix

Non-GAAP Reconciliations – Consolidated Quarterly Adjusted EBITDA

	3 Months Ended	3 Months Ended	3 Months Ended
(\$ in 000s)	March 31, 2023	June 30, 2023	September 30, 2023
Net Income (Loss)	(1,949)	(3,748)	(12,769)
Interest Expense	1,107	1,047	1,063
Income Tax Expense / (Benefit)	(488)	(897)	(964)
Depreciation	1,611	1,632	1,590
Amortization	377	376	376
EBITDA	658	(1,590)	(10,704)
Acquisition Costs and Other	260	20	42
Stock-based compensation	222	24	142
Non-cash lease expense	69	68	69
Restructuring and severance costs	96	7	-
Adjusted EBITDA	1,305	(1,471)	944

Non-GAAP Reconciliations – Tubular Quarterly Adjusted EBITDA

	3 Months Ended	3 Months Ended	3 Months Ended
(\$ in 000s)	March 31, 2023	June 30, 2023	September 30, 2023
Net Income (Loss)	1,665	(105)	1,705
Interest Expense	-	-	0
Income Tax Expense / (Benefit)	-	-	-
Depreciation	637	653	626
Amortization	218	218	217
EBITDA	2,520	766	2,548
Acquisition Costs and Other	-	4	42
Stock-based compensation	(19)	10	11
Non-cash lease expense	36	36	36
Restructuring and severance costs	97	-	-
Adjusted EBITDA	2,634	816	2,637

Note: Amounts may differ due to rounding

Non-GAAP Reconciliations – Chemicals Quarterly Adjusted EBITDA

	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended	3 Months Ended
(\$ in 000s)	December 31, 2020	March 31, 2021	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Net Income (Loss)	525	1,055	(414)	1,360	1,588	2,378	2,617	1,088	852	1,342	(818)	(11,498)
Interest Expense	-	-	-	-	9	9	9	9	9	12	18	21
Income Tax Expense / (Benefit)	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	381	386	390	389	768	886	915	1,097	949	952	956	942
Amortization	-	-	-	-	73	96	96	520	191	158	158	159
EBITDA	906	1,441	(24)	1,749	2,438	3,369	3,637	2,714	2,001	2,464	314	(10,376)
Acquisition Costs and Other	-	-	-	-	61	-	-	-	-	2	-	-
Proxy Contest Costs and Recoveries	-	-	-	-	-	-	-	-	-	-	-	-
Earn-out Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
(Gain) Loss in equity securities and other investments	-	-	-	-	-	-	-	-	-	-	-	-
Asset Impairments	-	-	233	-	-	-	-	-	-	-	-	11,389
Goodwill Impairment	-	-	-	-	-	-	-	-	-	-	-	-
(Gain) Loss on Lease Modification	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation	29	31	136	5	(8)	6	11	12	12	8	(23)	3
Non-cash lease expense	-	-	-	-	-	-	-	-	0	24	22	23
(Gain) Loss on Extinguishment of Debt	-	-	-	-	-	-	-	-	-	-	-	-
Retention expense	-	-	427	-	-	-	-	-	-	-	-	-
Restructuring and severance costs	-	-	-	-	57	-	-	-	8	-	-	-
Adjusted EBITDA	935	1,472	772	1,754	2,548	3,375	3,648	2,726	2,021	2,498	313	1,039

Note: Amounts may differ due to rounding