



# Company Information 2022

# FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share amounts)

Years Ended December 31	2022	2021	2020
Net sales	\$187,746	\$190,734	\$162,477
Loss from operations	(5,946)	(4,997)	(8,984)
Net (loss) income	(5,786)	1,791	(14,111)
Net (loss) income per share, basic and diluted	(178.20)	55.16	(434.60)

## COMPANY PROFILE



The **TAPE/IDEAL DIVISION** of American Biltrite provides a global customer base with a wide variety of specialized pressure sensitive adhesive tapes, film, and paper products for protection, transfer or reinforcement. It manufactures these by coating various substrates (paper, film, foil, nylon, polyester films, glass cloth, and others) using adhesive systems formulated with water and solvent-based materials. These products are manufactured in Moorestown, New Jersey and Lowell, Massachusetts, and marketed worldwide with divisional converting facilities in Belgium, Italy, and Singapore, and sales offices in China and South Korea. Served markets include transportation (automotive and aerospace); building and construction (HVAC, insulation, electrical); shoe and leather goods; graphic arts, print, and signage; and various other industrial and consumer applications (appliances, metals, glass/windows, etc.). The division's products are sold worldwide by our own dedicated sales organization and a network of specialized distributors, converters and manufacturers' representatives.



**AMERICAN BILTRITE (CANADA) LTD.** manufactures and distributes commercial and residential flooring, industrial rubber products, and mud flaps throughout North America. The commercial flooring business primarily serves the healthcare, educational, and institutional sectors, offering resilient products with high aesthetics, great durability, low maintenance, and excellent environmental qualities. The industrial rubber business supplies rubber sheet goods used for a multitude of applications such as gaskets, sealants, protective applications and cut parts to OEM's, distributors and fabricators serving various markets, from pharmaceutical and food to petrochemical, mining and transportation. The industrial rubber business also provides custom mixing services to the hose and tire manufacturing industries. The division has strong technical capabilities in R&D and product innovation, and provides excellent service through an extensive network of distribution centers across North America.



**K&M ASSOCIATES L.P.** is one of North America's largest suppliers of fashion jewelry and hair accessories. Its main office and distribution center are located in Providence, Rhode Island. K&M also has showrooms and offices in New York City and two office locations in China for logistics, quality control, and product development support. K&M successfully serves all levels of retail trade in the U.S. and Canada, from mass market to upper tier department stores. K&M's industry leading licensed and proprietary brands include Guess®, Vince Camuto®, C Wonder by Christian Siriano, T Tahari®, Robert Rose®, Berry®, Juicy Couture®, and Jessica McClintock™. K&M's recognized marketplace strengths are its quality product and logistical capabilities, supported by partnerships with its customers in technology, product development, sales analysis, and merchandising services.

# AMERICAN BILTRITE INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands of dollars, except share and per share amounts)

	Years Ended December 31	
	2022	2021
<b>Net sales</b>	<b>\$ 187,746</b>	\$ 190,734
Cost of products sold	<b>143,777</b>	143,651
Selling, general & administrative expenses	<b>49,915</b>	52,080
<b>Loss from operations</b>	<b>(5,946)</b>	(4,997)
Other income (expense)		
PPP loan forgiveness	-	6,022
Government subsidies	-	1,050
Interest expense	<b>(760)</b>	(301)
Other income (expense), net	<b>979</b>	123
	<b>219</b>	6,894
<b>(Loss) income before income taxes</b>	<b>(5,727)</b>	1,897
Provision for income taxes	<b>59</b>	106
<b>Net (loss) income</b>	<b>\$ (5,786)</b>	1,791
Net (loss) income per share		
Basic and diluted	<b>\$ (178.20)</b>	\$ 55.16
Weighted average shares outstanding		
Basic and diluted	<b>32,469</b>	32,469

# AMERICAN BILTRITE INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS - ASSETS

(In thousands of dollars)

	December 31	
	2022	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,297	\$ 1,339
Accounts receivable, less allowances for doubtful accounts	22,175	23,459
Inventories	44,535	37,864
Prepaid expense and other current assets	3,806	4,150
Insurance receivable for asbestos and environmental liabilities	3,482	3,668
<b>Total current assets</b>	<b>75,295</b>	<b>70,480</b>
Property, plant & equipment, net	28,358	26,259
Other assets:		
Insurance receivable for asbestos and environmental liabilities	12,397	13,858
Other assets	8,363	8,153
	<b>20,760</b>	<b>22,011</b>
<b>Total assets</b>	<b>\$ 124,413</b>	<b>\$ 118,750</b>



# AMERICAN BILTRITE INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS - LIABILITIES & STOCKHOLDERS' EQUITY

(In thousands of dollars)

	December 31	
	2022	2021
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 9,150	\$ 11,739
Accrued expenses	15,534	15,685
Operating lease liabilities	1,062	1,483
Asbestos and environmental liabilities	7,313	6,614
Notes payable	17,000	1,184
Current portion of long-term debt	474	351
<b>Total current liabilities</b>	<b>50,533</b>	<b>37,056</b>
Long-term debt, less current portion	3,258	1,081
Operating lease liabilities	5,032	4,649
Asbestos and environmental liabilities	35,116	36,720
Other liabilities	4,342	7,247
	<b>47,748</b>	<b>49,697</b>
<b>Total liabilities</b>	<b>98,281</b>	<b>86,753</b>
<b>Stockholders' equity</b>		
Common stock and additional paid in capital (common stock par value \$.01, 150,000 shares authorized, issued 45,985 shares and 32,469 shares outstanding at December 31, 2022 and 2021)	20,846	20,846
Less cost of common stock in treasury (13,516 shares at December 31, 2022 and 2021)	(15,725)	(15,725)
Retained earnings	26,733	32,519
Accumulated other comprehensive loss	(5,722)	(5,643)
<b>Total stockholders' equity</b>	<b>26,132</b>	<b>31,997</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 124,413</b>	<b>\$ 118,750</b>

# AMERICAN BILTRITE INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of dollars)

	Years Ended December 31	
	2022	2021
<b>Operating activities</b>		
Net (loss) income	\$ (5,786)	\$ 1,791
Adjustments to reconcile net (loss) income to net cash used by operating activities		
Depreciation and amortization	3,505	4,395
Provision for doubtful accounts and discounts	2,075	1,758
Deferred taxes	(319)	(40)
Amortization of right-of-use assets	1,473	1,685
PPP loan forgiveness	-	(6,022)
Change in operating assets and liabilities		
Accounts and notes receivable	(1,269)	(3,433)
Inventories	(8,180)	(744)
Prepaid expenses and other assets	(50)	(1,696)
Accounts payable and accrued expenses	(2,119)	2,326
Asbestos and environmental liabilities	742	1,469
Income taxes	(98)	382
Pension contribution	-	(511)
Other	(528)	(1,749)
<b>Net cash used in operating activities</b>	<b>(10,554)</b>	<b>(389)</b>
<b>Investing activities</b>		
Investments in property, plant and equipment	(6,700)	(3,470)
Proceed from sale of investments	-	2,795
Payment for acquisition of non-controlling interest	-	(523)
<b>Net cash used in investing activities</b>	<b>(6,700)</b>	<b>(1,198)</b>
<b>Financing activities</b>		
Net short-term loan borrowings	16,251	(1,120)
Proceeds from Canadian federal and provincial development loan programs	2,569	715
Payments on long-term loans	(252)	(147)
Payments for acquisition of MJM Jewelry Inc.	(158)	(410)
<b>Net cash provided by (used in) financing activities</b>	<b>18,410</b>	<b>(962)</b>
<b>Effect of foreign exchange rate changes on cash</b>	<b>(1,198)</b>	<b>1,086</b>
<b>Net decrease in cash</b>	<b>(42)</b>	<b>(1,463)</b>
Cash and cash equivalents at beginning of period	1,339	2,802
<b>Cash and cash equivalents at end of period</b>	<b>\$ 1,297</b>	<b>\$ 1,339</b>

## BOARD OF DIRECTORS

### **LEO R. BREITMAN**

Former Chairman and Chief Executive Officer  
*Fleet Bank - Massachusetts*

### **JOHN C. GARRELS III**

Former Director, Global Banking  
*The First National Bank of Boston*

### **MARK N. KAPLAN**

Of Counsel  
*Skadden, Arps, Slate, Meagher & Flom LLP*

### **RICHARD G. MARCUS**

President and Chief Operating Officer

### **ROGER S. MARCUS**

Chairman of the Board and Chief Executive Officer

### **TODD S. MARCUS**

President  
*K&M Associates L.P.*

### **WILLIAM M. MARCUS**

Former Executive Vice President and Treasurer  
*American Biltrite Inc.*

### **MARK S. NEWMAN**

Former Chairman of the Board,  
President and Chief Executive Officer  
*DRS Technologies, Inc.*

### **KENNETH I. WATCHMAKER**

Former Executive Vice President and  
Chief Financial Officer  
*Reebok International Ltd.*

## CORPORATE OFFICERS

### **ROGER S. MARCUS**

Chairman of the Board and Chief Executive Officer

### **RICHARD G. MARCUS**

President and Chief Operating Officer

### **HOWARD N. FEIST III**

Vice President - Finance and Chief Financial Officer

### **DIANA LEW**

*Controller*

### **PAMELA HESSE**

*Assistant Controller*

### **MICHAEL J. MERKX**

Vice President and General Manager  
*Tape Division*

### **JEAN-PIERRE BENOIT**

Vice President and General Manager  
*American Biltrite (Canada) Ltd.*

### **TODD S. MARCUS**

President  
*K&M Associates L.P.*

## CORPORATE INFORMATION

### **TRANSFER AGENT AND REGISTRAR**

Computershare Inc.  
PO Box 43006  
Providence, RI 02940-3006  
800-368-5948

### **COUNSEL**

Skadden, Arps, Slate, Meagher & Flom LLP  
Boston, Massachusetts

### **AUDITORS**

RSM US LLP  
Boston, Massachusetts

### **STOCK MARKET LISTING**

OTC Market  
Symbol - ABLT



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