



AMERICAN BILTRITE INC.

2023 COMPANY INFORMATION



FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share amounts)

Years Ended December 31	2023	2022	2021
Net sales	\$185,529	\$187,746	\$190,734
Loss from operations	(1,863)	(5,946)	(4,997)
Net (loss) income	(2,641)	(5,786)	1,791
Net (loss) income per share, basic and diluted	(81.34)	(178.20)	55.16

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 of end-use products. It manufactures these by coating substrates (such as paper, film, foil, nylon, polyester films, glass cloth, and others) using formulated water or solvent-based adhesive systems. 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 petro-chemical, 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®, 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	
	2023	2022
Net sales	\$185,529	\$ 187,746
Cost of products sold	138,869	143,777
Selling, general & administrative expenses	48,523	49,915
Loss from operations	(1,863)	(5,946)
Other (expense) income		
Interest	(1,710)	(760)
Other	894	979
	(816)	219
Loss before income taxes	(2,679)	(5,727)
(Benefit from) provision for income taxes	(38)	59
Net loss	\$ (2,641)	\$ (5,786)
Net loss per share		
Basic and diluted	\$ (81.34)	\$ (178.20)
Weighted average shares outstanding		
Basic and diluted	32,469	32,469

AMERICAN BILTRITE INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS - ASSETS

(In thousands of dollars)

	December 31	
	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,518	\$ 1,297
Accounts receivable, less allowances and discounts	22,375	22,175
Inventories	40,034	45,070
Prepaid expense and other current assets	2,371	3,271
Insurance receivable for asbestos and environmental liabilities	2,912	3,482
Total current assets	69,210	75,295
Property, plant & equipment, net	30,096	30,091
Other assets:		
Insurance receivable for asbestos and environmental liabilities	11,346	12,397
Other assets	7,086	6,630
	18,432	19,027
Total assets	\$ 117,738	\$ 124,413

AMERICAN BILTRITE INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS - LIABILITIES & STOCKHOLDERS' EQUITY

(In thousands of dollars)

	December 31	
	2023	2022
Liabilities		
Current liabilities:		
Accounts payable	\$ 9,635	\$ 9,150
Accrued expenses	13,107	15,534
Lease liabilities	1,232	1,062
Asbestos and environmental liabilities	7,281	7,313
Notes payable	15,576	17,000
Current portion of long-term debt	574	474
Total current liabilities	47,405	50,533
Long-term debt, less current portion	2,689	3,258
Lease liabilities	4,971	5,032
Asbestos and environmental liabilities	34,904	35,116
Other liabilities	2,776	4,342
	45,340	47,748
Total liabilities	92,745	98,281
Stockholders' equity		
Common stock and additional paid in capital (common stock par value \$.01, 150,000 shares authorized, 45,985 shares issued and 32,469 shares outstanding at December 31, 2023 and 2022)	20,846	20,846
Less cost of common stock in treasury (13,516 shares at December 31, 2023 and 2022)	(15,725)	(15,725)
Retained earnings	24,092	26,733
Accumulated other comprehensive loss	(4,220)	(5,722)
Total stockholders' equity	24,993	26,132
Total liabilities and stockholders' equity	\$ 117,738	\$ 124,413

AMERICAN BILTRITE INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of dollars)

	Years Ended December 31	
	2023	2022
Operating activities		
Net loss	\$ (2,641)	\$ (5,786)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation and amortization	3,654	3,505
Provision for credit losses	1,979	2,075
Deferred taxes	(233)	(319)
Amortization of right-of-use assets	1,394	1,473
Change in operating assets and liabilities		
Accounts and notes receivable	(1,997)	(1,269)
Inventories	5,630	(8,715)
Prepaid expenses and other assets	564	485
Accounts payable and accrued expenses	(2,126)	(2,119)
Asbestos and environmental liabilities	1,377	742
Income taxes	58	(98)
Other	(1,753)	159
Net cash provided by (used in) operating activities	5,906	(9,867)
Investing activities		
Investments in property, plant and equipment	(3,574)	(7,315)
Net cash used in investing activities	(3,574)	(7,315)
Financing activities		
Net short-term loan (payments) borrowings	(1,668)	16,251
Payments on long-term loans	(501)	(252)
Payments for acquisition of MJM Jewelry Inc.	-	(158)
Proceeds from Canadian federal and provincial development loan programs	-	2,569
Net cash (used in) provided by financing activities	(2,169)	18,410
Effect of foreign exchange rate changes on cash	58	(1,270)
Net increase (decrease) in cash	221	(42)
Cash and cash equivalents at beginning of period	1,297	1,339
Cash and cash equivalents at end of period	\$ 1,518	\$ 1,297

BOARD OF DIRECTORS

LEO R. BREITMAN

Former Chairman and Chief Executive Officer
Fleet Bank - Massachusetts

MATTHEW S. FEINER

President and CEO
The SG Companies

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

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Global Operations
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800-785-7782

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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