

VIKASE[®]

Financial report for the
fiscal quarter ended

March 31, 2024

CONSOLIDATED FINANCIAL STATEMENTS OF VISKASE COMPANIES, INC. AND
SUBSIDIARIES

1. Financial Statements:

Consolidated Balance Sheets as of March 31, 2024 (unaudited) and December 31, 2023

Consolidated Statements of Operations for the three months ended March 31, 2024 and March 31, 2023 (unaudited)

Consolidated Statements of Comprehensive Loss for the three months ended March 31, 2024 and March 31, 2023 (unaudited)

Consolidated Statements of Stockholders' Equity for the three months ended March 31, 2024 (unaudited) and year ended December 31, 2023

Consolidated Statements of Cash Flows for the three months ended March 31, 2024, and March 31, 2023 (unaudited)

VISKASE COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands, Except for Number of Shares)

	March 31, 2024	December 31, 2023
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$6,971	\$7,862
Receivables, net	85,544	88,950
Inventories	117,848	111,310
Other current assets	42,092	42,674
Total current assets	252,455	250,796
Property, plant and equipment	435,542	436,372
Less accumulated depreciation	(306,033)	(302,027)
Property, plant and equipment, net	129,509	134,345
Right of use assets	21,440	22,309
Other assets, net	15,093	15,676
Intangible assets	15,321	15,799
Goodwill	3,259	3,321
Deferred income taxes	18,536	18,597
Total Assets	\$455,613	\$460,844
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$28,631	\$21,747
Accounts payable	33,871	44,768
Accrued liabilities	42,418	39,163
Short-term portion lease liabilities	4,777	4,777
Total current liabilities	109,697	110,454
Long-term debt, net of current maturities	109,033	111,738
Long-term liabilities	1,570	1,330
Accrued employee benefits	31,176	32,257
Deferred income taxes	3,021	3,021
Long-term lease liabilities	19,333	20,408
Stockholders' equity:		
Common stock, \$0.01 par value; 103,995,935 shares issued and 103,190,665 outstanding	1,040	1,040
Paid in capital	182,343	182,343
Retained earnings	61,003	58,974
Less 805,270 treasury shares, at cost	(298)	(298)
Accumulated other comprehensive loss	(61,039)	(59,200)
Total Viskase stockholders' equity	183,049	182,859
Deficit attributable to non-controlling interest	(1,266)	(1,223)
Total stockholders' equity	181,783	181,636
Total Liabilities and Stockholders' Equity	\$455,613	\$460,844

VISKASE COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands)
(Unaudited)

	3 Months Ended March 31, 2024	3 Months Ended March 31, 2023
NET SALES	\$100,849	\$117,847
Cost of sales	<u>79,865</u>	<u>90,894</u>
GROSS MARGIN	20,984	26,953
Selling, general and administrative	13,083	13,562
Amortization of intangibles	<u>404</u>	<u>400</u>
OPERATING INCOME	7,497	12,991
Interest expense	2,678	3,176
Other expense, net	<u>1,492</u>	<u>6,662</u>
INCOME BEFORE INCOME TAXES	3,327	3,153
Income tax provision (benefit)	<u>1,341</u>	<u>(4,202)</u>
NET INCOME	<u>\$1,986</u>	<u>\$7,355</u>
Less:(loss) income attributable to noncontrolling interests	<u>(43)</u>	<u>28</u>
Net income attributable to Viskase Companies, Inc	<u><u>\$2,029</u></u>	<u><u>\$7,327</u></u>

VISKASE COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In Thousands)
(Unaudited)

	3 Months Ended March 31, 2024	3 Months Ended March 31, 2023
Net income	\$1,986	\$7,355
Other comprehensive (loss) income, net of tax		
Pension liability adjustment	(6)	215
Foreign currency translation adjustment	(1,833)	3,114
Other comprehensive (loss) income, net of tax	(1,839)	3,329
Comprehensive income	<u>\$147</u>	<u>\$10,684</u>
Less: comprehensive (loss) income attributable to noncontrolling interests	<u>(43)</u>	<u>28</u>
Net comprehensive income attributable to Viskase Companies, Inc	<u>\$190</u>	<u>\$10,656</u>

VISKASE COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In Thousands)
(Unaudited)

	Common stock	Paid in capital	Treasury stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity	Non-controlling Interest	Total stockholders' equity
Balance December 31, 2022	\$1,040	\$182,343	(\$298)	\$45,467	(\$67,114)	\$161,438	\$ (1,153)	\$160,285
Net income	-	-	-	13,506	-	13,506	(70)	13,436
Foreign currency translation adjustment	-	-	-	-	5,280	5,280	-	5,280
Pension liability adjustment, net of tax	-	-	-	-	2,634	2,634	-	2,634
Balance December 31, 2023	\$1,040	\$182,343	(\$298)	\$58,973	(\$59,200)	\$182,858	(\$1,223)	\$181,635
Net Income	-	-	-	2,029	-	2,029	(43)	1,986
Foreign currency translation adjustment	-	-	-	-	(1,833)	(1,833)	-	(1,833)
Pension liability adjustment, net of tax	-	-	-	-	(6)	(6)	-	(6)
Balance March 31, 2024	\$1,040	\$182,343	(\$298)	\$61,002	(\$61,039)	\$183,048	(\$1,266)	\$181,782

VISKASE COMPANIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(Unaudited)

	3 Months Ended March 31, 2024	3 Months Ended March 31, 2023
Cash flows from operating activities:		
Net income	\$ 1,986	\$ 7,355
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	5,904	6,420
Amortization of intangibles	404	400
Amortization of deferred financing fees	120	98
Deferred income taxes	-	387
Gain on disposition of assets	-	(7)
Bad debt and accounts receivable provision	-	(138)
Changes in operating assets and liabilities:		
Receivables	2,862	2,524
Inventories	(7,400)	(8,061)
Other current assets	392	(647)
Other assets	315	320
Accounts payable	(10,572)	(6,597)
Accrued liabilities	3,549	3,094
Accrued employee benefits	(576)	18
Other	531	895
Total adjustments	<u>(4,471)</u>	<u>(1,294)</u>
Net cash (used in) provided by operating activities	(2,485)	6,061
Cash flows from investing activities:		
Capital expenditures	(2,060)	(2,166)
Proceeds from disposition of assets	-	8
Net cash used in investing activities	<u>(2,060)</u>	<u>(2,158)</u>
Cash flows from financing activities:		
Proceed from short term borrowing	7,000	7,613
Repayment of short-term debt	(2,813)	(5,875)
Net cash provided by financing activities	<u>4,187</u>	<u>1,738</u>
Effect of currency exchange rate changes on cash	<u>(533)</u>	<u>(1,771)</u>
Net (decrease) increase in cash and equivalents	(891)	3,870
Cash, equivalents and restricted cash at beginning of period	<u>7,862</u>	<u>8,783</u>
Cash, equivalents and restricted cash at end of period	<u><u>6,971</u></u>	<u><u>12,653</u></u>
Supplemental cash flow information:		
Interest paid less capitalized interest	\$2,559	\$3,031
Income taxes paid	\$391	\$706