



B. FINANCIAL STATEMENTS

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)
(in millions)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|--------|---------------------------|--------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenues | | | | |
| Sales | \$ 266 | \$ 234 | \$ 500 | \$ 443 |
| Services | 55 | 57 | 111 | 113 |
| Total revenues | 321 | 291 | 611 | 556 |
| Cost of revenues | | | | |
| Sales | 234 | 204 | 454 | 389 |
| Services | 36 | 39 | 73 | 79 |
| Total cost of revenues | 270 | 243 | 527 | 468 |
| Gross profit | 51 | 48 | 84 | 88 |
| Selling, general and administrative expenses | 41 | 42 | 84 | 88 |
| Research and development costs | 9 | 8 | 18 | 16 |
| Restructuring costs and other | — | — | — | 1 |
| Other operating income, net | — | (6) | — | (7) |
| Earnings (loss) from continuing operations before interest expense, pension income excluding service cost component, other (income) charges, net and income taxes | 1 | 4 | (18) | (10) |
| Interest expense | 10 | 10 | 19 | 14 |
| Pension income excluding service cost component | (27) | (26) | (57) | (51) |
| Other (income) charges, net | (1) | 1 | 2 | 1 |
| Earnings from continuing operations before income taxes | 19 | 19 | 18 | 26 |
| (Benefit) Provision for income taxes | (1) | 3 | 1 | 4 |
| Net income | \$ 20 | \$ 16 | \$ 17 | \$ 22 |

The notes accompanying the financial statements contained in the Company's second quarter 2022 Form 10-Q are an integral part of these consolidated financial statements.

EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Unaudited)
(in millions)

| | June 30, 2022 | December 31, 2021 |
|---|------------------|----------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 289 | \$ 362 |
| Trade receivables, net of allowances of \$7 and \$7, respectively | 191 | 175 |
| Inventories, net | 262 | 219 |
| Other current assets | 44 | 49 |
| Current assets held for sale | 2 | 2 |
| Total current assets | 788 | 807 |
| Property, plant and equipment, net of accumulated depreciation of \$443 and \$441, respectively | 145 | 140 |
| Goodwill | 12 | 12 |
| Intangible assets, net | 32 | 34 |
| Operating lease right-of-use assets | 43 | 47 |
| Restricted cash | 57 | 54 |
| Pension and other postretirement assets | 1,181 | 1,022 |
| Other long-term assets | 51 | 55 |
| TOTAL ASSETS | \$ 2,309 | \$ 2,171 |
| LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY | | |
| Accounts payable, trade | \$ 168 | \$ 153 |
| Short-term borrowings and current portion of long-term debt | 1 | 1 |
| Current portion of operating leases | 12 | 13 |
| Other current liabilities | 137 | 142 |
| Total current liabilities | 318 | 309 |
| Long-term debt, net of current portion | 308 | 253 |
| Pension and other postretirement liabilities | 358 | 382 |
| Operating leases, net of current portion | 39 | 45 |
| Other long-term liabilities | 186 | 205 |
| Total liabilities | 1,209 | 1,194 |
| Commitments and Contingencies (Note 7) | | |
| Redeemable, convertible preferred stock, no par value, \$100 per share liquidation preference | 199 | 196 |
| Equity | | |
| Common stock, \$0.01 par value | — | — |
| Additional paid in capital | 1,164 | 1,166 |
| Treasury stock, at cost | (10) | (10) |
| Accumulated deficit | (579) | (596) |
| Accumulated other comprehensive income | 326 | 221 |
| Total shareholders' equity | 901 | 781 |
| TOTAL LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND EQUITY | \$ 2,309 | \$ 2,171 |

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EASTMAN KODAK COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
(in millions)

| | Six Months Ended | |
|--|------------------|--------|
| | June 30, | |
| | 2022 | 2021 |
| Cash flows from operating activities: | | |
| Net income | \$ 17 | \$ 22 |
| Adjustments to reconcile to net cash used in operating activities: | | |
| Depreciation and amortization | 14 | 16 |
| Pension income | (49) | (42) |
| Change in fair value of the Preferred Stock and Convertible Notes embedded derivatives | (1) | - |
| Non-cash changes in workers' compensation reserves | (8) | (3) |
| Stock based compensation | 3 | 4 |
| Increase in deferred taxes | (2) | - |
| (Increase) decrease in trade receivables | (26) | 1 |
| Increase in inventories | (54) | (30) |
| Increase in trade payables | 17 | 27 |
| Decrease in liabilities excluding borrowings and trade payables | (17) | (20) |
| Other items, net | 3 | 4 |
| Total adjustments | (120) | (43) |
| Net cash used in operating activities | (103) | (21) |
| Cash flows from investing activities: | | |
| Additions to properties | (9) | (5) |
| Net cash used in investing activities | (9) | (5) |
| Cash flows from financing activities: | | |
| Net proceeds from Term Loan Credit Agreement | 49 | 215 |
| Net proceeds from Convertible Notes | - | 25 |
| Net proceeds from Series C Preferred Stock | - | 99 |
| Proceeds from sale of common stock | - | 10 |
| Repurchase of Series A Preferred Stock | - | (100) |
| Debt issuance costs | - | (2) |
| Preferred stock cash dividend payments | (2) | (5) |
| Treasury stock purchases | - | (1) |
| Net cash provided by financing activities | 47 | 241 |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | (5) | (2) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (70) | 213 |
| Cash, cash equivalents and restricted cash, beginning of period | 423 | 256 |
| Cash, cash equivalents and restricted cash, end of period | \$ 353 | \$ 469 |

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