FLINT™

Q1 2023

flintcorp.com

FLINT Announces First Quarter 2023 Financial Results

Quarterly revenue increases 37% and Adjusted EBITDAS increases 81%

Calgary, Alberta (May 2, 2023) – FLINT Corp. (“FLINT” or the "Company") (TSX: FLNT) today announced its results for the three months ended March 31, 2023. All amounts are in Canadian dollars and expressed in thousands of dollars unless otherwise noted.

“EBITDAS” and “Adjusted EBITDAS” are not standard measures under IFRS. Please refer to the Advisory regarding Non-GAAP Financial Measures at the end of this press release for a description of these items and limitations of their use.

“The stronger activity levels experienced in 2022 carried over to the first quarter of 2023 with revenue of $150.5 million, representing an increase of 37.0% from the first quarter of 2022. Adjusted EBITDAS in the quarter totaled $5.4 million, representing an increase of 81.1% from the first quarter of 2022. We are pleased by the positive response of our employees, customers and stakeholders to the rebranding as FLINT. We are encouraged by the on-going momentum in our served markets, as evidenced by the booking of new contract awards and renewals totaling $112.2 million in the first quarter and $860.8 million for the trailing twelve-month period. The commitment of our workforce to safety and providing high quality products and services to our customers has been instrumental in our success,” said Barry Card, Chief Executive Officer.

FIRST QUARTER HIGHLIGHTS

- Revenue for the three months ended March 31, 2023 was $150.5 million, representing an increase of $40.6 million or 37.0% from the same period in 2022.
- Gross profit for the three months ended March 31, 2023 was $13.4 million, representing an increase of $3.6 million or 37.2% from the same period in 2022.
- Gross profit margin for the three months ended March 31, 2023 was 8.9%, which was consistent with the same period in 2022.
- Adjusted EBITDAS for the three months ended March 31, 2023 was $5.4 million, representing an increase of $2.4 million or 81.1% from the same period in 2022.
- Adjusted EBITDAS margin was 3.6% for the three months ended March 31, 2023 compared to 2.7% for the same period in 2022.
- Selling, general and administrative ("SG&A") expenses for three months ended March 31, 2023 were $8.2 million, representing an increase of $0.1 million or 1.4% from the same period in 2022. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2023 were 5.4%, compared to 7.3% for the same period in 2022.
- Liquidity, including cash and available credit facilities, was $57.8 million at March 31, 2023, as compared to $37.0 million at December 31, 2022.
- New contract awards and renewals totaled approximately $112.2 million for the three months ended March 31, 2023 and $21.7 million for the month of April. Approximately 75% of the work is expected to be completed in 2023.

Maintenance and Construction Services

Revenue for the Maintenance and Construction Services segment was $136.6 million for the three months ended March 31, 2023, compared to $99.4 million for the same period in 2022, representing an increase of 37.3%. The increase in revenues was due to continued market momentum in 2023 driven primarily by strong commodity pricing.

Gross profit margin was 8.3% for the three months ended March 31, 2023 compared to 7.4% for the same period in 2022. The increase was due to higher activity levels and management's focus on cost discipline. We continue to focus on consolidating various scopes of work with existing or new customers by bundling our services in order to enable more efficient execution and lower costs for our customers on each work site.

Wear Technology Overlay Services

Revenue for the Wear Technology Overlay Services segment for the three months ended March 31, 2023 was $13.9 million, compared to $12.3 million for the same period in 2022, representing an increase of 12.9%. The increase was due to activity levels for wear technology overlay and fabrication services continuing to recover as customers in the oil sands seek to operate at full capacity as well as the additional capacity from our recently commissioned pipe fabrication facility.

Gross profit margin was 14.7% for the three months ended March 31, 2023, compared to 19.3% for the same period in 2022. The decrease was due to the mix of business, job margins being lower for certain projects and an increase in material and utility costs.

Environmental Services

We continue to enhance our professional services capabilities to service our growing customer base in this market segment. Our customers in the energy sector continue to allocate expenditures for the closure, reclamation and remediation of oil and gas wells, pipelines and facilities in Western Canada to comply with regulatory requirements and to meet their commitments regarding ESG (environmental, social and governance) matters.

Corporate

On March 1, 2023, James Healey was appointed Vice President, Finance and Corporate Controlling. Mr. Healey has over fifteen years of financial reporting, corporate accounting and business processes and controls experience.

On March 16, 2023, the Company announced that Randy Watt, Chief Financial Officer, would be retiring from the Company effective March 31, 2023. Murray Desrosiers, Senior Vice President, Legal and Corporate Development, was named as Interim Chief Financial Officer. The Company has engaged an executive search firm to identify and evaluate both internal and external candidates for the role.

On March 27, 2023, the Company announced the appointment of Katrisha (Trisha) Gibson to the Board of Directors effective March 27, 2023. Ms. Gibson is an accomplished energy executive with significant experience in marketing, operations, and commercial activities at both private and public energy companies. She recently joined Factor Gas Liquids, Inc., a provider of energy products and refiner/petrochemical feedstocks, as President.

Also on March 27, 2023, the Company announced the release of its inaugural Sustainability Report as part of its ongoing commitment to Environment, Social and Governance matters. A copy of the 2022 Sustainability Report is accessible on the Company’s website at www.flintcorp.com.

FIRST QUARTER FINANCIAL RESULTS

($ thousands, except per share amounts)	Three months ended March 31,		
	2023	2022	% Change
Revenue			
Maintenance and Construction Services	136,560	99,436	37.3 %
Wear Technology Overlay Services	13,929	12,341	12.9 %
Eliminations[1]	(10)	(1,929)	(99.5)%
Total	150,479	109,848	37.0 %
Gross Profit			
Maintenance and Construction Services	11,322	7,359	53.9 %
Wear Technology Overlay Services	2,046	2,381	(14.1)%
Total	13,368	9,740	37.2 %
Gross Profit Margin (% of revenue)			
Maintenance and Construction Services	8.3 %	7.4 %	0.9 %
Wear Technology Overlay Services	14.7 %	19.3 %	(4.6)%
Total	8.9 %	8.9 %	— %
Selling, general and administrative expenses	8,168	8,052	1.4 %
% of revenue	5.4 %	7.3 %	(1.9)%
Adjusted EBITDAS[2]			
Maintenance and Construction Services	11,200	7,244	54.6 %
Wear Technology Overlay Services	1,974	2,307	(14.4)%
Corporate	(7,730)	(6,545)	18.1 %
Total	5,444	3,006	81.1 %
% of revenue	3.6 %	2.7 %	0.9 %
Loss from continuing operations	(3,325)	(7,783)	57.3 %
Net loss per share (dollars) from continuing operations (basic and diluted)	(0.03)	(0.07)	57.1 %

(1) The eliminations includes eliminations of inter-segment transactions. FLINT accounts for inter-segment sales based on transaction price.

(2) "Adjusted EBITDAS" is not a standard measure under IFRS. Please refer to the Advisory regarding Non-GAAP Financial Measures at the end of this press release for a description of this measure and limitations of its use.

Revenue for the three months ended March 31, 2023 was $150,479 compared to $109,848 for the same period in 2022, representing an increase of 37.0%. The increase in revenue was driven by the continued market momentum in 2023, representing an increase in activity across all areas of the business with the largest increase occurring in the Maintenance and Construction Services segment.

Gross profit for the three months ended March 31, 2023 was $13,368 compared to $9,740 for the same period in 2022, representing an increase of 37.2%. The increase in gross profit was primarily driven by an increase in the volume of work in the Maintenance and Construction Services segment. Gross profit margin for the year ended December 31, 2022 was 8.9%, which was consistent with the same period in 2022.

SG&A expenses for the three months ended March 31, 2023 were $8,168, in comparison to $8,052 for the same period in 2022, representing an increase of 1.4%. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2023 were 5.4% compared to 7.3% for the same period in 2022. The decrease in SG&A as a percentage of revenue is largely due to costs incurred in 2022 in relation to the Company's enterprise resource planning system implementation.

For the three months ended March 31, 2023, Adjusted EBITDAS was $5,444 compared to $3,006 for the same period in 2022. As a percentage of revenue, Adjusted EBITDAS was 3.6% for the three months ended March 31, 2023 compared to 2.7% for the same period in 2022.

Loss from continuing operations for the year ended December 31, 2022 was $3,325 in comparison to a loss of $7,783 for the same period in 2022. The variance was driven by the reduction in restructuring expenses and the significant improvement in gross profit for the Maintenance and Construction Services segment.

LIQUIDITY AND CAPITAL RESOURCES

On October 5, 2022, FLINT amended its asset-based revolving credit facility (the “ABL Facility”) with a Canadian charted bank to increase the maximum borrowings available thereunder to $50 million. The amount available under the ABL Facility will vary from time to time based on the borrowing base determined with reference to the accounts receivable of FLINT and certain of its subsidiaries. The maturity date of the ABL Facility is April 14, 2025. The expanded ABL Facility will provide additional working capital needed to finance higher levels of activity.

The Company anticipates that its liquidity (cash on hand and available credit facilities) and cash flow from operations will be sufficient to meet its short-term contractual obligations and maintain compliance with its financial covenants through March 31, 2024.

As at March 31, 2023, the issued and outstanding share capital included 110,001,239 Common Shares, 127,732 Series 1 Preferred Shares, and 40,111 Series 2 Preferred Shares.

The Series 1 Preferred Shares (having an aggregate value of $127.732 million) are convertible at the option of the holder into Common Shares at a price of $0.35/share and the Series 2 Preferred Shares (having an aggregate value of $40.111 million) are convertible into Common Shares at a price of $0.10/share.

The Series 1 and Series 2 Preferred Shares have a 10% fixed cumulative preferential cash dividend payable when the Company has sufficient monies to be able to do so, including under the provisions of applicable law and contracts affecting the Company. The Board of Directors of the Company does not intend to declare or pay any cash dividends until such times as the Company's balance sheet and liquidity position supports the payment. As at March 31, 2023, the accrued and unpaid dividends on the Series 1 and Series 2 shares totaled $80.8 million. Any accrued and unpaid dividends are convertible in certain circumstances at the option of the holder into additional Series 1 and Series 2 Preferred Shares.

OUTLOOK

In early March, the collapse of two U.S. regional banks triggering the worst banking shock since the 2008 financial crisis. This shock was felt in the energy markets, with oil prices weakening on concerns that a global banking crisis would impact demand. On April 2, 2023, the Organization of Petroleum Exporting Countries and its allies announced additional production cuts totaling approximately 1.66 million barrels per day for the last eight months of 2023. This provided further support to an oil market where supply had been impacted by sanctions on Russian production and a multi-year period of underinvestment in upstream development.

At current commodity price levels, we anticipate continued high demand for our products and services as customers seek to maintain or incrementally grow production levels. However, broad economic concerns exist with respect to inflation, rising interest rates and geopolitical instability, the combination of which may lead to a global recession. These concerns may negatively impact the spending plans of our customers.

While our customers have been prioritizing debt repayment and returns to shareholders, they are starting to increase spending on both maintenance projects (to enhance operational reliability) and capital projects (to maintain or expand production capacity). We expect these activity levels to remain strong in 2023.

FLINT has continued to add new service offerings that encompass the full asset lifecycle and is now offering a suite of more than 40 services. Through the extensive regional coverage provided by our 19 operating facilities, we believe that FLINT is well-positioned to further consolidate the services required at various operating sites while generating efficiencies and cost reductions for its customers. We are also continually working to improve our service delivery to anticipate our customer's requirements and proactively meet their needs.

Additional Information

Our unaudited condensed consolidated interim financial statements for the three months ended March 31, 2023 and the related Management's Discussion and Analysis of the operating and financial results can be accessed on our website at www.flintcorp.com and will be available shortly through SEDAR at www.sedar.com.

About FLINT Corp.

With a legacy of excellence and experience stretching back more than 100 years, FLINT provides solutions for the Energy and Industrial markets including: Oil & Gas, Petrochemical, Mining, Power, Agriculture, Forestry, Infrastructure and Water Treatment. With offices strategically located across Canada and a dedicated workforce, we provide maintenance, construction, wear technology and environmental services that keep our clients moving forward. For more information about FLINT, please visit www.flintcorp.com or contact:

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Advisory regarding Forward-Looking Information

Certain information included in this press release may constitute "forward-looking information" within the meaning of Canadian securities laws. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. This press release contains forward-looking information relating to: our business plans, strategies and objectives; contract renewals and project awards, including the estimated value thereof and the timing of completing the associated work; the demand for wear technology overlay and fabrication services; that customers will continue to allocate expenditures for the closure, reclamation and remediation of oil and gas wells, pipelines and facilities in Western Canada; the sufficiency of our liquidity and cash flow from operations to meet our short-term contractual obligations and maintain compliance with our financial covenants through March 31, 2024; our dividend policy; the supply/demand fundamentals for oil and natural gas and its impact on the demand for our services; and that broad economic concerns may negatively impact the spending plans of our customers.

Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information including, but not limited to, compliance with debt covenants, access to credit facilities and other sources of capital for working capital requirements and capital expenditure needs, availability of labour, dependence on key personnel, economic conditions, commodity prices, interest rates, future actions by governmental authorities in response to Covid-19 or another pandemic, regulatory change, weather and risks related to the integration of acquired businesses. These factors should not be considered exhaustive. Risks and uncertainties about FLINT's business are more fully discussed in FLINT's disclosure materials, including its annual information form and management's discussion and analysis of the operating and financial results, filed with the securities regulatory authorities in Canada and available at www.sedar.com. In formulating the forward-looking information, management has assumed that business and economic conditions affecting FLINT will continue substantially in the ordinary course, including, without limitation, with respect to general levels of economic activity, regulations, taxes and interest rates. Although the forward-looking information is based on what management of FLINT consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect.

This forward-looking information is made as of the date of this press release, and FLINT does not assume any obligation to update or revise it to reflect new events or circumstances except as required by law. Undue reliance should not be placed on forward-looking information. Forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes.

Advisory regarding Non-GAAP Financial Measures

The terms ''EBITDAS'' and "Adjusted EBITDAS" (collectively, the ''Non-GAAP financial measures'') are financial measures used in this press release that are not standard measures under IFRS. FLINT's method of calculating the Non-GAAP Financial Measures may differ from the methods used by other issuers. Therefore, the Non-GAAP Financial Measures, as presented, may not be comparable to similar measures presented by other issuers.

EBITDAS refers to income (loss) from continued operations in accordance with IFRS, before depreciation and amortization, interest expense, income tax expense (recovery) and long-term incentive plan expenses. EBITDAS is used by management and the directors of FLINT as well as many investors to determine the ability of an issuer to generate cash from operations. Management also uses EBITDAS to monitor the performance of FLINT's reportable segments and believes that in addition to income (loss) from continued operations and cash provided by operating activities, EBITDAS is a useful supplemental measure from which to determine FLINT's ability to generate cash available for debt service, working capital, capital expenditures and income taxes. FLINT has provided a reconciliation of income (loss) from continuing operations to EBITDAS below.

Adjusted EBITDAS refers to EBITDAS excluding impairment of goodwill and intangible assets, restructuring expense, gain on sale of property, plant and equipment, loss (recovery) of contingent consideration liability, one time incurred expenses, impairment of right-of-use assets and government subsidies. FLINT has used Adjusted EBITDAS as the basis for the analysis of its past operating financial performance. Adjusted EBITDAS is a measure that management believes (i) is a useful supplemental measure from which to determine FLINT's ability to generate cash available for debt service, working capital, capital expenditures, and income taxes, and (ii) facilitates the comparability of the results of historical periods and the analysis of its operating financial performance which may be useful to investors. FLINT has provided a reconciliation of income (loss) from continuing operations to Adjusted EBITDAS below.

Investors are cautioned that the Non-GAAP Financial Measures are not alternatives to measures under IFRS and should not, on their own, be construed as an indicator of performance or cash flows, a measure of liquidity or as a measure of actual return on the shares. These Non-GAAP Financial Measures should only be used with reference to FLINT's consolidated interim and annual financial statements, which are available on SEDAR at www.sedar.com or on FLINT's website at www.flintcorp.com.

Three months ended March 31,	Maintenance and Construction Services 2023	Maintenance and Construction Services 2022	Wear Technology Overlay Services 2023	Wear Technology Overlay Services 2022	Corporate 2023	Corporate 2022	Total 2023	Total 2022
Income (loss) from continuing operations	$ 9,288	$ 5,307	$ 1,104	$ 1,465	$(13,717)	$(14,555)	$ (3,325)	$ (7,783)
Add:								
Amortization of intangible assets	17	28	115	115	—	—	132	143
Depreciation expense	1,706	1,677	675	637	215	250	2,596	2,564
Long-term incentive plan expense	—	—	—	—	995	—	995	—
Interest expense	192	234	78	90	4,086	3,548	4,356	3,872
EBITDAS	11,203	7,246	1,972	2,307	(8,421)	(10,757)	4,754	(1,204)
Add (deduct):								
Gain on sale of property, plant and equipment	(122)	(2)	—	—	—	—	(122)	(2)
Restructuring expenses	119	—	2	—	486	2,770	607	2,770
One-time incurred expenses	—	—	—	—	205	1,281	205	1,281
Loss on contingent consideration liability	—	—	—	—	—	161	—	161
Adjusted EBITDAS	$ 11,200	$ 7,244	$ 1,974	$ 2,307	$ (7,730)	$ (6,545)	$ 5,444	$ 3,006

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Q1 MD&A 2023

Management's Discussion and Analysis

May 2, 2023

The following is management's discussion and analysis ("MD&A") of the consolidated results of operations, balance sheets and cash flows of FLINT Corp. ("FLINT" or the "Company") for the three months ended March 31, 2023 and 2022. This MD&A should be read in conjunction with FLINT's unaudited condensed consolidated interim financial statements and the notes thereto for the three months ended March 31, 2023 and 2022 and the audited consolidated financial statements for the years ended December 31, 2022 and 2021.

All amounts in this MD&A are in Canadian dollars and expressed in thousands of dollars unless otherwise noted. The accompanying unaudited condensed consolidated interim financial statements of FLINT have been prepared by and are the responsibility of management. The contents of this MD&A have been approved by the Board of Directors of FLINT on the recommendation of its Audit Committee. This MD&A is dated May 2, 2023 and is current to that date unless otherwise indicated.

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

This MD&A makes reference to certain measures that are not defined in IFRS and contains forward-looking information. These measures do not have any standard meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. See "Advisory regarding Forward-Looking Information" and "Advisory regarding Non-GAAP Financial Measures".

References to "we", "us", "our" or similar terms, refer to FLINT, unless the context otherwise requires.

Reportable Segments

The two segments listed below represent the reportable segments that the chief operating decision maker considers when reviewing the performance of FLINT and deciding where to allocate resources.

FLINT's operations, assets and employees are mainly located in Canada with some activity in the United States through its Wear Technology Overlay segment. FLINT utilizes EBITDAS and Adjusted EBITDAS as performance measures for its segmented results. These measures are considered to be non-GAAP financial measures under IFRS.

Segment/Division	Business Description
Maintenance and Construction Services	Operational, maintenance, turnaround and construction services to the conventional oil and gas, oil sands, and other industries as well as abandonment, decommissioning, and reclamation services.
Wear Technology Overlay Services	Custom fabrication services supporting pipeline and infrastructure projects, and patented wear technology overlay services specializing in overlay pipe spools, pipe bends and plate.
Corporate Division	Provision of typical head office functions, including strategic planning, corporate communications, taxes, legal, marketing, finance, human resources and information technology.

Advisory regarding Forward-Looking Information

Certain information included in this MD&A may constitute “forward-looking information” within the meaning of Canadian securities laws. In some cases, forward-looking information can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue” or the negative of these terms or other similar expressions concerning matters that are not historical facts. Specifically, this MD&A contains forward-looking information relating to: our business plans, strategies and objectives; the sufficiency of our liquidity and cash flow from operations to meet our short-term contractual obligations and maintain compliance with our financial covenants through March 31, 2024; our dividend policy; the effect of known claims and litigation on our financial position and results of operations; the supply/demand fundamentals for oil and natural gas and its impact on the demand for our services; and that broad economic concerns may negatively impact the spending plans of our customers.

Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information including, but not limited to, compliance with debt covenants, access to credit facilities and other sources of capital for working capital requirements and capital expenditure needs, availability of labour, dependence on key personnel, economic conditions, commodity prices, interest rates, future actions by governmental authorities in response to Covid-19 or another pandemic, regulatory change, weather and risks related to the integration of acquired businesses. These factors should not be considered exhaustive. Risks and uncertainties about FLINT’s business are more fully discussed in FLINT’s disclosure materials, including its annual information form and management’s discussion and analysis of the operating and financial results, filed with the securities regulatory authorities in Canada and available at www.sedar.com. In formulating the forward-looking information, management has assumed that business and economic conditions affecting FLINT will continue substantially in the ordinary course, including, without limitation, with respect to general levels of economic activity, regulations, taxes and interest rates. Although the forward-looking information is based on what management of FLINT consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management’s assumptions may prove to be incorrect.

This forward-looking information is made as of the date of this MD&A, and FLINT does not assume any obligation to update or revise it to reflect new events or circumstances except as required by law. Undue reliance should not be placed on forward-looking information. Forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes.

Advisory regarding Non-GAAP Financial Measures

The terms ‘‘EBITDAS’’ and “Adjusted EBITDAS” (collectively, the ‘‘Non-GAAP Financial Measures’’) are financial measures used in this MD&A that are not standard measures under IFRS. FLINT’s method of calculating the Non-GAAP Financial Measures may differ from the methods used by other issuers. Therefore, the Non-GAAP Financial Measures, as presented, may not be comparable to similar measures presented by other issuers.

EBITDAS refers to income (loss) from continued operations in accordance with IFRS, before depreciation and amortization, interest expense, income tax expense (recovery) and long-term incentive plan expenses. EBITDAS is used by management and the directors of FLINT as well as many investors to determine the ability of an issuer to generate cash from operations. Management also uses EBITDAS to monitor the performance of FLINT’s reportable segments and believes that in addition to income (loss) from continued operations and cash provided by operating activities, EBITDAS is a useful supplemental measure from which to determine FLINT’s ability to generate cash available for debt service, working capital, capital expenditures and income taxes. FLINT has provided a reconciliation of income (loss) from continuing operations to EBITDAS below.

Adjusted EBITDAS refers to EBITDAS excluding impairment of goodwill and intangible assets, restructuring expense, gain on sale of property, plant and equipment, loss (recovery) of contingent consideration liability, one time incurred expenses, impairment of right-of-use assets and government subsidies. FLINT has used Adjusted EBITDAS as the basis for the analysis of its past operating financial performance. Adjusted EBITDAS is a measure that management believes (i) is a useful supplemental measure from which to determine FLINT’s ability to generate cash available for debt service, working capital, capital expenditures, and income taxes, and (ii) facilitates the comparability of the results of historical periods and the analysis of its operating financial performance which may be useful to investors. FLINT has provided a reconciliation of income (loss) from continuing operations to Adjusted EBITDAS below.

Investors are cautioned that the Non-GAAP Financial Measures are not alternatives to measures under IFRS and should not, on their own, be construed as an indicator of performance or cash flows, a measure of liquidity or as a measure of actual return on the shares. These Non-GAAP Financial Measures should only be used with reference to FLINT’s consolidated interim and annual financial statements, which are available on SEDAR at www.sedar.com or on FLINT’s website at www.flintcorp.com.

FIRST QUARTER 2023 SUMMARY OF RESULTS – CONTINUING OPERATIONS

(In thousands of Canadian dollars)

Three months ended March 31,		2023		2022
Revenue	$	150,479	$	109,848
Cost of revenue		(137,111)		(100,108)
Gross profit		13,368		9,740
Selling, general and administrative expenses		(8,168)		(8,052)
Long-term incentive plan expense		(995)		—
Amortization of intangible assets		(132)		(143)
Depreciation expense		(2,596)		(2,564)
Income from long-term investments		39		37
Interest expense		(4,356)		(3,872)
Restructuring expenses		(607)		(2,770)
Loss on contingent consideration liability		—		(161)
Gain on sale of property, plant and equipment		122		2
Loss from continuing operations		(3,325)		(7,783)
Add:				
Amortization of intangible assets		132		143
Depreciation expense		2,596		2,564
Long-term incentive plan expense		995		—
Interest expense		4,356		3,872
EBITDAS [(1)]		4,754		(1,204)
Add (deduct):				
Gain on sale of property, plant and equipment		(122)		(2)
Restructuring expenses		607		2,770
One-time incurred expenses		205		1,281
Loss on contingent consideration liability		—		161
Adjusted EBITDAS [(1)]	$	5,444	$	3,006

(1) EBITDAS and Adjusted EBITDAS are not standard measures under IFRS and they are defined in the section "Advisory regarding Non-GAAP Financial Measures".

Net loss per share (dollars)

Three months ended March 31,		2023		2022
Basic & Diluted:				
Continuing operations	$	(0.03)	$	(0.07)
Net loss	$	(0.03)	$	(0.07)

Selected Balance Sheet Accounts	March 31, 2023	December 31, 2022
Total assets	$ 228,304	$ 233,978
ABL facility	—	9,334
Term loan facility	40,187	40,157
Senior secured debentures	119,048	119,048
Other secured borrowings	13,633	14,143
Shareholders' deficit	$ 45,554	$ 42,229

FIRST QUARTER 2023 RESULTS

Revenue for the three months ended March 31, 2023 was $150,479 compared to $109,848 for the same period in 2022, representing an increase of 37.0%. The increase in revenue was driven by the continued market momentum in 2023, representing an increase in activity across all areas of the business with the largest increase occurring in the Maintenance and Construction Services segment.

Gross profit for the three months ended March 31, 2023 was $13,368 compared to $9,740 for the same period of 2022, representing an increase of 37.2%. The increase in gross profit was primarily driven by an increase in the volume of work in the Maintenance and Construction Services segment. Gross profit margin for the three months ended March 31, 2023 was 8.9%, consistent with 2022.

Selling, general and administrative ("SG&A") for the three months ended March 31, 2023 were $8,168 in comparison to $8,052 for the same period in 2022, representing an increase of 1.4%. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2023 were 5.4% compared to 7.3% for the same period in 2022. The decrease in SG&A as a percentage of revenue is largely due to costs incurred in 2022 in relation to the Company's enterprise resource planning system implementation.

Non-cash items that impacted the 2023 results were depreciation and amortization. For the three months ended March 31, 2023, depreciation and amortization expenses were $2,728 compared to $2,707 for the same period in 2022.

For the three months ended March 31, 2023, interest expenses were $4,356 compared to $3,872 for the same period in 2022, representing an increase of 12.5%. The increase in interest expense was primarily due to the increase in the principal amount of Senior Secured Debentures outstanding combined with the impact of higher interest rates on our variable interest rate loans.

Restructuring expenses of $607 were recorded during the three months ended March 31, 2023 compared to $2,770 for the same period in 2022. The non-recurring restructuring expenses in 2022 were primarily related to a management change that occurred in March 2022.

Loss from continuing operations for the three months ended March 31, 2023 was $3,325 in comparison to $7,783 for the same period in 2022. The variance was driven by the reduction in restructuring expenses and the significant improvement in gross profit for the Maintenance and Construction Services segment.

For the three months ended March 31, 2023, Adjusted EBITDAS was $5,444 compared to $3,006 for the same period in 2022. As a percentage of revenue, Adjusted EBITDAS was 3.6% for the three months ended March 31, 2023 compared to 2.7% for the same period in 2022.

SEGMENT OPERATING RESULTS

MAINTENANCE AND CONSTRUCTION SERVICES

For three months ended March 31,	2023	2022
Revenue	$ 136,560	$ 99,436
Cost of revenue	(125,238)	(92,077)
Gross profit	11,322	7,359
Selling, general and administrative expenses	(161)	(152)
Amortization of intangible assets	(17)	(28)
Depreciation expense	(1,706)	(1,677)
Income from long-term investments	39	37
Interest expense	(192)	(234)
Restructuring expenses	(119)	—
Gain on sale of property, plant and equipment	122	2
Income from continuing operations	9,288	5,307
Add:		
Amortization of intangible assets	17	28
Depreciation expense	1,706	1,677
Interest expense	192	234
EBITDAS (1)	11,203	7,246
Add (deduct):		
Gain on sale of property, plant and equipment	(122)	(2)
Restructuring expenses	119	—
Adjusted EBITDAS (1)	$ 11,200	$ 7,244

(1) EBITDAS and Adjusted EBITDAS are not standard measures under IFRS and they are defined in the section "Advisory regarding Non-GAAP Financial Measures".

Revenue

Revenue for the Maintenance and Construction Services segment was $136,560 for the three months ended March 31, 2023, compared to $99,436 for the same period in 2022, representing an increase of 37.3%. The increase in revenues was due to continued market momentum in 2023 driven primarily by strong commodity pricing.

Gross Profit

Gross profit was $11,322 for the three months ended March 31, 2023, compared to $7,359 for the same period in 2022, representing an increase of 53.9%. Gross profit margin was 8.3% for the three months ended March 31, 2023 compared to 7.4% for the same period in 2022. The increase in gross profit and gross profit margin for the three months ended March 31, 2023 was due to the increase in the volume of activity related to the market momentum in 2023 and management's focus on cost discipline. The Company continues to focus on consolidating various scopes of work with existing or new customers by bundling our services in order to enable more efficient execution and lower costs for our customers on each work site.

WEAR TECHNOLOGY OVERLAY SERVICES

For three months ended March 31,	2023	2022
Revenue	$ 13,929	$ 12,341
Cost of revenue	(11,883)	(9,960)
Gross profit	2,046	2,381
Selling, general and administrative expenses	(72)	(74)
Amortization of intangible assets	(115)	(115)
Depreciation expense	(675)	(637)
Interest expense	(78)	(90)
Restructuring expenses	(2)	—
Income from continuing operations	1,104	1,465
Add:		
Amortization of intangible assets	115	115
Depreciation expense	675	637
Interest expense	78	90
EBITDAS (1)	1,972	2,307
Add (deduct):		
Restructuring expenses	2	—
Adjusted EBITDAS (1)	$ 1,974	$ 2,307

(1) EBITDAS and Adjusted EBITDAS are not standard measures under IFRS and they are defined in the section "Advisory regarding Non-GAAP Financial Measures".

Revenue

Revenue for the Wear Technology Overlay Services segment for the three months ended March 31, 2023 was $13,929, compared to $12,341 for the same period in 2022, representing an increase of 12.9%. The increase was due to additional capacity from our recently commissioned pipe fabrication facility.

Gross Profit

Gross profit was $2,046 for the three months ended March 31, 2023, compared to $2,381 for the same period in 2022, representing a decrease of 14.1%. Gross profit margin was 14.7% for the three months ended March 31, 2023, compared to 19.3% for the same period in 2022. The decrease in gross profit and gross profit margin was primarily due to the mix of business, job margins being lower for certain projects and an increase in material and utility costs.

CORPORATE

FLINT's head office functions are located in Calgary, Alberta. The Corporate division provides typical head office functions, including strategic planning, corporate communications, taxes, legal, marketing, finance, human resources and information technology, for the entire organization. The tables below reflect the costs of FLINT's corporate function, as well as other corporate overhead expenses.

For three months ended March 31,		2023		2022
Selling, general and administrative expenses	$	(7,935)	$	(7,826)
Long-term incentive plan expense		(995)		—
Depreciation expense		(215)		(250)
Interest expense		(4,086)		(3,548)
Restructuring expenses		(486)		(2,770)
Loss on contingent consideration liability		—		(161)
Loss from continuing operations		(13,717)		(14,555)
Add:				
Depreciation expense		215		250
Long-term incentive plan expense		995		—
Interest expense		4,086		3,548
EBITDAS (1)		(8,421)		(10,757)
Add (deduct):				
Restructuring expenses		486		2,770
One-time incurred expenses		205		1,281
Loss on contingent consideration liability		—		161
Adjusted EBITDAS (1)	$	(7,730)	$	(6,545)

(1) EBITDAS and Adjusted EBITDAS are not standard measures under IFRS and they are defined in the section "Advisory regarding Non-GAAP Financial Measures".

Selling, General and Administrative Expenses

SG&A expenses for the Corporate division were $7,935 for the three months ended March 31, 2023 compared to $7,826 for the same period in 2022. SG&A expenses as a percentage of revenue was 5.3% for the three months ended March 31, 2023 compared to 7.1% for the same period in 2022. The decrease in SG&A as a percentage of revenue is largely due to costs incurred in 2022 in relation to the Company's enterprise resource planning system implementation.

LIQUIDITY AND CAPITAL RESOURCES

For three months ended March 31,		2023		2022
Cash flow provided by operating activities	$	20,837	$	7,228
Cash flow used in investing activities		(495)		(355)
Cash flow used in financing activities		(12,550)		(3,112)
Consolidated cash, end of period	$	10,926	$	25,441

Operating Activities

Cash flow provided by operating activities in 2023 is a result of a decrease in accounts receivable, due to an increase in the collections during the quarter, and an increase in accounts payable, due to an increase in cost of revenue as compared to the previous quarter.

The Company anticipates that its liquidity (cash on hand and available credit facilities) and cash flow from operations will be sufficient to meet its short-term contractual obligations and maintain compliance with its financial covenants through March 31, 2024.

Investing Activities

Cash flow used in investing activities during the three months ended March 31, 2023 consisted of the purchase of property, plant and equipment assets, partially offset by proceeds from the disposal of certain property, plant and equipment assets.

Financing Activities

a. ABL Facility

FLINT has an asset-based revolving credit facility (the "ABL Facility") providing for maximum borrowings up to $50,000 with a Canadian chartered bank (the "Lender"). The ABL Facility matures on April 14, 2025.

The amount available under the ABL Facility will vary from time to time based on the borrowing base determined with reference to the accounts receivable of the Company. The ABL Facility borrowing base as at March 31, 2023 was $49,800 (December 31, 2022 - $43,750). The obligations under the ABL Facility are secured by, among other things, a first ranking lien on all of the existing and after acquired accounts receivable of the Company and the other guarantors, being certain of the Company's direct subsidiaries. The interest rate on the ABL Facility is the Lender's prime rate plus 2.5% (December 31, 2022 - Lender's prime rate plus 2.5%).

As at March 31, 2023, $nil (December 31, 2022 - $9,885) was drawn on the ABL Facility, and there were $2,147 (December 31, 2022 - $2,147) of letters of credit reducing the amount available to be drawn. As at March 31, 2023, the net amount of deferred financing costs were $492 (December 31, 2022 - $551).

The financial covenants applicable under the ABL Facility are as follows:

- The Company must maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal quarter; and
- The Company must not expend or become obligated for any capital expenditures in an aggregate amount exceeding $10,000 and for any non-financed capital expenditures in an aggregate amount exceeding $4,000 for the fiscal year.

As at March 31, 2023, FLINT was in compliance with all financial covenants under the ABL Facility.

b. Term Loan Facility

FLINT has a term loan facility providing for maximum borrowings of up to $40,500 (the “Term Loan Facility”) with Canso Investment Counsel Ltd., in its capacity as portfolio manager for and on behalf of certain accounts that it manages (“Canso”). The Term Loan Facility matures on the earlier of (a) the date that is 180 days following the maturity date of the ABL Facility and (b) October 14, 2025.

As at March 31, 2023, $40,500 (December 31, 2022 - $40,500) was outstanding under the Term Loan Facility. The Term Loan Facility is required to be used for specific purposes and cannot be redrawn once repaid. The interest rate on the Term Loan Facility is a fixed rate of 8.0% (December 31, 2022 - fixed rate of 8.0%). The net amount of deferred financing costs were $313 as at March 31, 2023 (December 31, 2022 - $343).

c. Other Secured Borrowings

On June 26, 2019, the Company received $19,000 from two secured loans with the Business Development Bank of Canada (“BDC”) as a partial source of funds for the acquisition of certain assets of the production services division of AECOM Production Services Ltd. (the "AECOM PSD Business").

The $13,500 loan has monthly payments of $45, with the final payment to occur on October 2, 2045. The interest rate on the loan is the BDC Floating Base Rate less 1.0%. Interest accrues and is payable monthly. The Company allocated $195 in deferred financing costs to this loan that will be amortized over the life of the loan.

The $5,500 loan has monthly payments of $75, with the final payment to occur on March 28, 2025. The interest rate on the loan is the BDC Floating Base Rate less 0.5%. Interest accrues and is payable monthly. The Company allocated $85 in deferred financing costs to this loan that will be amortized over the life of the loan.

The loans are secured by a first security interest on the real property and equipment acquired through the acquisition of the AECOM PSD Business and a security interest in all other present and future property, subject to the priorities granted to existing lenders under the ABL Facility, the Term Loan Facility, the senior secured debentures and other existing commitments.

The loan agreements with BDC require the Company to maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal year.

As at March 31, 2023, FLINT was in compliance with all financial covenants under the loan agreements with BDC.

d. Senior Secured Debentures

On March 23, 2016, the Company issued 8.0% senior secured debentures due March 23, 2026 (the "Senior Secured Debentures") pursuant to a trust indenture between FLINT, as issuer, and BNY Trust Company of Canada, as debenture trustee, as amended and supplemented (the "Senior Secured Indenture"), on a private placement basis to Canso. On June 2, 2020, the debenture trustee was changed to Computershare Trust Company of Canada.

The Senior Secured Debentures bear interest at an annual rate of 8.0% payable in arrears on June 30 and December 31 of each year. The Senior Secured Debentures are redeemable at the option of the Company and, in certain circumstances, are mandatorily redeemable. The Senior Secured Debentures are secured by first-ranking liens over all of the property of the Company and its guarantor subsidiaries, other than certain limited classes of collateral over which the Company has granted a prior-ranking lien in favour of the ABL Facility, the Term Loan Facility and the other secured loans. The Senior Secured Debentures provide for certain events of default and covenants of the Company, including financial and reporting covenants and restrictive covenants limiting the ability of the Company and its subsidiaries to make certain distributions and dispositions, incur indebtedness, grant liens and limitations with respect to acquisitions, mergers, investments, non-arm's length transactions, reorganizations and hedging arrangements (subject to certain exceptions).

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

FLINT prepares its consolidated financial statements in accordance with IFRS. The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses for the period of the consolidated financial statements. Based on the current environment, significant market uncertainty exists that could impact the estimates and assumptions made by FLINT. Significant accounting policies and methods used in the preparation of the consolidated financial statements, including use of estimates and judgments, are described in note 1 of the annual consolidated financial statements for the year ended December 31, 2022.

CONTINGENCIES

Contingencies are provided for when they are likely to occur and can be reasonably estimated. FLINT is subject to claims and litigation proceedings arising in the normal course of operations. The known claims and litigation proceedings are not expected to materially affect the Company's financial position or reported results of operations.

SUMMARY OF QUARTERLY RESULTS

(In thousands of Canadian dollars, except per share amount)

	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2
Revenue ($)	150,479	149,747	171,883	173,195	109,848	101,955	108,647	96,596
Gross Profit ($)	13,368	17,075	20,617	15,701	9,740	9,728	12,124	10,440
Gross Profit Margin (%)	8.9%	11.4%	12.0%	9.1%	8.9%	9.5%	11.2%	10.8%
Net (loss) income from continuing operations ($)	(3,325)	(4,848)	1,174	(974)	(7,783)	5	(2,227)	494
Net (loss) income ($)	(3,325)	(5,379)	1,172	(976)	(7,796)	4	(2,228)	487
Net (loss) income per share from continuing operations ($)	(0.03)	(0.04)	0.01	(0.01)	(0.07)	0.00	(0.02)	0.00
Net (loss) income per share ($)	(0.03)	(0.05)	0.01	(0.01)	(0.07)	0.00	(0.02)	0.00

FLINT's revenues are somewhat seasonal, in particular for the Maintenance and Construction Services segment. Typically, there are scheduled shutdown turnaround projects in the spring and fall which increase revenues over and above the standard maintenance and operational support services. In 2022, larger volumes were experienced in the second and third quarter of 2022 due to the postponement of turnaround projects related to the COVID-19 pandemic.

TRANSACTIONS WITH RELATED PARTIES

As at March 31, 2023, directors and officers beneficially held an aggregate of 7,632,907 Common Shares, representing approximately 6.9% of the issued and outstanding Common Shares.

SHARE CAPITAL

The authorized share capital of the Company consists of: (i) an unlimited number of Common Shares, and (ii) Preferred Shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding Common Shares at the time of issuance of such Preferred Shares.

The following table summarizes the number of Preferred and Common Shares:

	Preferred Shares		Common
	Series 1	Series 2	Shares
Balance as at December 31, 2022	127,732	40,111	110,001,239
Balance as at March 31, 2023	127,732	40,111	110,001,239

The Series 1 and Series 2 Preferred Shares have a 10.0% fixed cumulative preferential cash dividend payable when the Company shall have sufficient monies to be able to do so, including under the provisions of applicable law and contracts affecting the Company. The Board of Directors of the Company does not intend to declare or pay any cash dividends until such time as the Company's balance sheet and liquidity position supports the payment. Any accrued and unpaid dividends are convertible in certain circumstances at the option of the holder into additional Series 1 and Series 2 Preferred Shares.

As at March 31, 2023, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $80,810 (December 31, 2022 - $76,671). Assuming that the holders of the Preferred Shares exercise the right to convert such accrued and unpaid dividends into additional Preferred Shares and then convert such Preferred Shares into Common Shares, approximately 338,565,088 (December 31, 2022 - 319,675,972) Common Shares would be issued, which represents approximately 307.8% (December 31, 2022 - 290.6%) of the Common Shares outstanding as at March 31, 2023.

In addition, holders of the Series 1 and Series 2 Preferred Shares have the right, at their option, to convert their Preferred Shares into Common Shares at a price of $0.35 and $0.10 per Common Share, respectively, subject to adjustment in certain circumstances. During the three months ended March 31, 2023, no Series 1 or Series 2 Preferred Shares were converted into Common Shares (December 31, 2022 - 8,571 Common Shares were issued upon the conversion of three Series 1 Preferred Shares).

The Series 1 and Series 2 Preferred Shares are redeemable by the Company for cash at 110% of the purchase price for such shares, plus accrued but unpaid dividends, once all of the outstanding Senior Secured Debentures have been repaid and are subject to repayment in the event of certain change of control transactions.

Based upon the conversion rights of the Series 1 and Series 2 Preferred Shares there could be significant dilution to the current holders of Common Shares. Up to approximately 766,059,000 (December 31, 2022 - 766,059,000) additional Common Shares would be issuable upon conversion of the face amount of the Preferred Shares into Common Shares, representing approximately 696.4% (December 31, 2022 - 696.4%) of the Common Shares outstanding as at March 31, 2023.

As the terms of the Preferred Shares do not create an unavoidable obligation to pay cash, the Preferred Shares are accounted for within shareholders' deficit, net of transaction costs.

OUTLOOK

In early March, the collapse of two U.S. regional banks triggering the worst banking shock since the 2008 financial crisis. This shock was felt in the energy markets, with oil prices weakening on concerns that a global banking crisis would impact demand. On April 2, 2023, the Organization of Petroleum Exporting Countries and its allies announced additional production cuts totaling approximately 1.66 million barrels per day for the last eight months of 2023. This provided further support to an oil market where supply had been impacted by sanctions on Russian production and a multi-year period of underinvestment in upstream development.

At current commodity price levels, we anticipate continued high demand for our products and services as customers seek to maintain or incrementally grow production levels. However, broad economic concerns exist with respect to inflation, rising interest rates and geopolitical instability, the combination of which may lead to a global recession. These concerns may negatively impact the spending plans of our customers.

While our customers have been prioritizing debt repayment and returns to shareholders, they are starting to increase spending on both maintenance projects (to enhance operational reliability) and capital projects (to maintain or expand production capacity). We expect these activity levels to remain strong in 2023.

FLINT has continued to add new service offerings that encompass the full asset lifecycle and is now offering a suite of more than 40 services. Through the extensive regional coverage provided by our 19 operating facilities, we believe that FLINT is well-positioned to further consolidate the services required at various operating sites while generating efficiencies and cost reductions for its customers. We are also continually working to improve our service delivery to anticipate our customer's requirements and proactively meet their needs.

RISK FACTORS

The Company's risk factors have not changed materially from those disclosed in the "Risk Factors" section of the MD&A for the year ended December 31, 2022.

For additional information regarding the risks that the Company is exposed to, see the disclosure provided under the heading "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2022, which is available on the SEDAR website at www.sedar.com.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

We are required to comply with National Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings". This instrument requires us to disclose in our interim MD&A any weaknesses in or changes to our internal control over financial reporting during the period that may have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting. We confirm that no such weaknesses were identified in, or changes were made to, internal controls over financial reporting during the three months ended March 31, 2023.

Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ADDITIONAL INFORMATION

Additional information relating to the Company is available in the Company's Annual Information Form for the year ended December 31, 2022.

FLINT

Q1 FINANCIAL STATEMENTS 2023

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF

FLINT CORP.

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

(UNAUDITED)

Consolidated Interim Balance Sheets

(In thousands of Canadian dollars)

(Unaudited)

	Notes	March 31, 2023	December 31, 2022
Assets			
Cash	7	$ 10,926	$ 3,134
Accounts receivable	7	148,075	159,371
Inventories		5,240	5,729
Prepaid expenses		2,432	2,441
Total current assets		166,673	170,675
Property, plant and equipment	2	52,110	53,689
Goodwill and intangible assets		9,013	9,145
Long-term investments		508	469
Total assets		**$ 228,304**	**$ 233,978**
Liabilities and shareholders' deficit			
Accounts payable and accrued liabilities		$ 69,254	$ 57,893
Current portion of lease liabilities		8,382	8,447
Current portion of long-term incentive plan liability		2,160	2,814
Current portion of other secured borrowings	3	1,437	1,437
Total current liabilities		81,233	70,591
Long-term incentive plan liability		1,000	2,487
ABL facility	3	—	9,334
Term loan facility	3	40,187	40,157
Lease liabilities		20,194	21,884
Other secured borrowings	3	12,196	12,706
Senior secured debentures	3	119,048	119,048
Total liabilities		273,858	276,207
Common shares	6	462,057	462,057
Preferred shares	6	141,930	141,930
Contributed surplus		20,679	20,679
Deficit		(670,220)	(666,895)
Total shareholders' deficit		(45,554)	(42,229)
Total liabilities and shareholders' deficit		**$ 228,304**	**$ 233,978**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Interim Statements of Loss and Comprehensive Loss

(In thousands of Canadian dollars)

(Unaudited)

For three months ended March 31,	Notes		2023		2022
Revenue	4	$	150,479	$	109,848
Cost of revenue			(137,111)		(100,108)
Gross profit			13,368		9,740
Selling, general and administrative expenses	5		(8,168)		(8,052)
Long-term incentive plan expense			(995)		—
Amortization of intangible assets			(132)		(143)
Depreciation expense	2		(2,596)		(2,564)
Income from long-term investments			39		37
Interest expense			(4,356)		(3,872)
Restructuring expenses			(607)		(2,770)
Loss on contingent consideration liability			—		(161)
Gain on sale of property, plant and equipment			122		2
Loss from continuing operations			(3,325)		(7,783)
Loss from discontinued operations (net of income taxes)			—		(13)
Net loss and comprehensive loss		**$**	**(3,325)**	**$**	**(7,796)**
Net loss per share (dollars)					
Basic & diluted:					
Continuing operations		$	(0.03)	$	(0.07)
Net loss		$	(0.03)	$	(0.07)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Interim Statements of Shareholders' Deficit

(In thousands of Canadian dollars, except number of shares)

(Unaudited)

	Notes	Number of Common Shares	Common Shares	Preferred Shares	Contributed Surplus	Deficit	Total Shareholders' Deficit
December 31, 2022		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (666,895)	$ (42,229)
Net loss		—	—	—	—	(3,325)	(3,325)
At March 31, 2023		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (670,220)	$ (45,554)

	Notes	Number of Common Shares	Common Shares	Preferred Shares	Contributed Surplus	Deficit	Total Shareholders' Deficit
December 31, 2021		109,992,668	$ 462,054	$ 141,933	$ 20,679	$ (653,916)	$ (29,250)
Net loss		—	—	—	—	(7,796)	(7,796)
Conversion of Preferred Shares to Common Shares	6	8,571	3	(3)	—	—	—
At March 31, 2022		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (661,712)	$ (37,046)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Interim Statements of Cash Flows

(In thousands of Canadian dollars)

(Unaudited)

For three months ended March 31,	Notes	2023	2022
Operating activities:			
Net loss		$ (3,325)	$ (7,796)
Adjustments for:			
Long-term incentive plan expense		995	—
Amortization of intangible assets		132	143
Depreciation expense	2	2,596	2,564
Income from long-term investment		(39)	(37)
Accretion expense		—	10
Amortization of deferred financing costs	3	89	27
Loss on contingent consideration liability		—	161
Gain on sale of property, plant and equipment		(122)	(2)
Changes in non-cash working capital		20,511	12,158
Cash flow provided by operating activities		20,837	7,228
Investing activities:			
Purchase of property, plant and equipment		(944)	(386)
Net proceeds on disposal of property, plant and equipment		449	31
Cash flow used in investing activities		(495)	(355)
Financing activities:			
Repayment of other secured borrowings		(510)	(360)
Decrease in ABL facility	3	(9,885)	—
Refinancing fees		—	(551)
Repayment of lease liabilities		(2,155)	(2,201)
Cash flow used in financing activities		(12,550)	(3,112)
Increase in cash		7,792	3,761
Cash, beginning of period		3,134	21,680
Cash, end of period		$ 10,926	$ 25,441

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of Canadian dollars)

(Unaudited)

Reporting entity

FLINT Corp. ("FLINT" or the "Company") is a corporation formed pursuant to the *Business Corporations Act* (Alberta). The head office is located at Bow Valley Square 2, Suite 3500, 205 - 5th Avenue S.W., Calgary, Alberta T2P 2V7. FLINT is a fully-integrated provider of upstream, midstream, and downstream production services, which includes maintenance and turnarounds, wear technologies, facilities construction, welding and fabrication, and environmental services with locations across Western Canada.

These unaudited condensed consolidated interim financial statements ("interim financial statements") were authorized for issuance in accordance with a resolution of the Board of Directors of FLINT passed on May 2, 2023.

1. Significant accounting policies

a. Basis of presentation

These interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information normally disclosed in annual consolidated financial statements has been omitted or condensed. The interim financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2022. These interim financial statements follow the same accounting policies and methods of computation as the most recent annual consolidated financial statements.

These interim financial statements have been prepared on an historical cost basis and presented in Canadian dollars rounded to the nearest thousand unless otherwise indicated.

b. New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2022, except for the adoption of new standards effective as of January 1, 2023. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2023, but do not have an impact on the interim financial statements of the Company.

(i) Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's interim financial statements.

(ii) Classification of Liabilities as Current or Non-current - Amendments to IAS 1

The amendments to IAS 1 Presentation of Financial Statements clarify how to classify debt and other liabilities as either current or non-current.

The amendments had no impact on the Company's interim financial statements.

(iii) Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Company's interim financial statements but are expected to affect the accounting policy disclosures in the Company's annual consolidated financial statements.

2. Property, plant and equipment

	Land and buildings	Computer hardware	Furniture, tools and equipment	Leasehold improve-ments	Right-of-use assets	Automotive and heavy equipment	Total
Cost							
As at December 31, 2022	$ 18,491	$ 1,880	$ 15,484	$ 732	$ 45,646	$ 45,509	$ 127,742
Additions	—	—	741	52	400	151	1,344
Disposals	—	—	—	—	(50)	(817)	(867)
Asset class transfer	—	—	—	—	(1,158)	1,158	—
As at March 31, 2023	$ 18,491	$ 1,880	$ 16,225	$ 784	$ 44,838	$ 46,001	$ 128,219
Accumulated Depreciation							
As at December 31, 2022	$ 2,427	$ 1,285	$ 11,292	$ 295	$ 26,287	$ 32,467	$ 74,053
Depreciation	145	50	227	32	1,541	601	2,596
Disposals	—	—	—	—	(35)	(505)	(540)
Asset class transfer	—	—	—	—	(979)	979	—
As at March 31, 2023	$ 2,572	$ 1,335	$ 11,519	$ 327	$ 26,814	$ 33,542	$ 76,109
Net book value							
As at December 31, 2022	$ 16,064	$ 595	$ 4,192	$ 437	$ 19,359	$ 13,042	$ 53,689
As at March 31, 2023	$ 15,919	$ 545	$ 4,706	$ 457	$ 18,024	$ 12,459	$ 52,110

Right-of-use assets consist of the following:

	Land and buildings	Furniture, tools and equipment	Automotive and heavy equipment	Total
Cost				
As at December 31, 2022	$ 36,035	$ 69	$ 9,542	$ 45,646
Asset class transfer	—	—	(1,158)	(1,158)
Additions	—	—	400	400
Disposals	—	—	(50)	(50)
As at March 31, 2023	$ 36,035	$ 69	$ 8,734	$ 44,838
Accumulated Depreciation				
As at December 31, 2022	$ 24,652	$ 67	$ 1,568	$ 26,287
Asset class transfer	—	—	(979)	(979)
Depreciation	1,008	—	533	1,541
Disposals	—	—	(35)	(35)
As at March 31, 2023	$ 25,660	$ 67	$ 1,087	$ 26,814
Net book value				
As at December 31, 2022	$ 11,383	$ 2	$ 7,974	$ 19,359
As at March 31, 2023	$ 10,375	$ 2	$ 7,647	$ 18,024

3. ABL facility, term loan facility and other borrowings

a. ABL Facility

On April 14, 2022, the Company completed the refinancing of a new $25,000 asset-based revolving credit facility with a three-year term to replace its existing $15,000 Revolving Facility that was to mature on April 14, 2022. Pursuant to an amending agreement dated June 23, 2022, the ABL Facility was amended to increase the maximum borrowings available thereunder to $30,000 during the period commencing on June 23, 2022 and ending on November 30, 2022. On October 5, 2022, the Company completed an amendment to the ABL Facility increasing the maximum borrowing to $50,000 through maturity on April 14, 2025.

The amount available under the ABL Facility will vary from time to time based on the borrowing base determined with reference to the accounts receivable of the Company. The ABL Facility borrowing base as at March 31, 2023 was $49,800 (December 31, 2022 - $43,750). The obligations under the ABL Facility are secured by, among other things, a first ranking lien on all of the existing and after acquired accounts receivable of the Company and the other guarantors, being certain of the Company's direct subsidiaries. The interest rate on the ABL Facility is the Lender's prime rate plus 2.5% (December 31, 2022 - Lender's prime rate plus 2.5%).

As at March 31, 2023, $nil (December 31, 2022 - $9,885) was drawn on the ABL Facility, and there were $2,147 (December 31, 2022 - $2,147) of letters of credit reducing the amount available to be drawn. As at March 31, 2023, the net amount of deferred financing costs were $492 (December 31, 2022 - $551).

The financial covenants applicable under the ABL Facility are as follows:

- The Company must maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal quarter; and

- The Company must not expend or become obligated for any capital expenditures in an aggregate amount exceeding $10,000 and for any non-financed capital expenditures in an aggregate amount exceeding $4,000 for the fiscal year.

As at March 31, 2023, FLINT was in compliance with all financial covenants under the ABL Facility.

b. Term Loan Facility

FLINT has a term loan facility providing for maximum borrowings of up to $40,500 (the “Term Loan Facility”) with Canso Investment Counsel Ltd., in its capacity as portfolio manager for and on behalf of certain accounts that it manages (“Canso”). The Term Loan Facility matures on the earlier of (a) the date that is 180 days following the maturity date of the ABL Facility and (b) October 14, 2025.

As at March 31, 2023, $40,500 (December 31, 2022 - $40,500) was outstanding under the Term Loan Facility. The Term Loan Facility is required to be used for specific purposes and cannot be redrawn once repaid. The interest rate on the Term Loan Facility is a fixed rate of 8.0% (December 31, 2022 - fixed rate of 8.0%). The net amount of deferred financing costs were $313 as at March 31, 2023 (December 31, 2022 - $343).

c. Other Secured Borrowings

On June 26, 2019, the Company received $19,000 from two secured loans with the Business Development Bank of Canada (“BDC”) as a partial source of funds for the acquisition of certain assets of the production services division of AECOM Production Services Ltd. (the "AECOM PSD Business").

The $13,500 loan has monthly payments of $45, with the final payment to occur on October 2, 2045. The interest rate on the loan is the BDC Floating Base Rate less 1.0%. Interest accrues and is payable monthly. The Company allocated $195 in deferred financing costs to this loan that will be amortized over the life of the loan.

The $5,500 loan has monthly payments of $75, with the final payment to occur on March 28, 2025. The interest rate on the loan is the BDC Floating Base Rate less 0.5%. Interest accrues and is payable monthly. The Company allocated $85 in deferred financing costs to this loan that will be amortized over the life of the loan.

The loans are secured by a first security interest on the real property and equipment acquired through the acquisition of the AECOM PSD Business and a security interest in all other present and future property, subject to the priorities granted to existing lenders under the ABL Facility, the Term Loan Facility, the senior secured debentures and other existing commitments.

The loan agreements with BDC require the Company to maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal year.

As at March 31, 2023, FLINT was in compliance with all financial covenants under the loan agreements with BDC.

d. Senior Secured Debentures

Balance as at December 31, 2021	$	109,744
Accretion		227
Debentures issued to settle interest		9,077
Balance as at December 31, 2022	$	119,048
Balance as at March 31, 2023	$	119,048

On March 23, 2016, the Company issued 8.0% senior secured debentures due March 23, 2026 (the "Senior Secured Debentures") pursuant to a trust indenture between FLINT, as issuer, and BNY Trust Company of Canada, as debenture trustee, as amended and supplemented (the "Senior Secured Indenture"), on a private placement basis to Canso. On June 2, 2020, the debenture trustee was changed to Computershare Trust Company of Canada.

The Senior Secured Debentures bear interest at an annual rate of 8.0% payable in arrears on June 30 and December 31 of each year. The Senior Secured Debentures are redeemable at the option of the Company and, in certain circumstances, are mandatorily redeemable. The Senior Secured Debentures are secured by first-ranking liens over all of the property of the Company and its guarantor subsidiaries, other than certain limited classes of collateral over which the Company has granted a prior-ranking lien in favour of the ABL Facility, the Term Loan Facility and the other secured loans.

The Senior Secured Debentures provide for certain events of default and covenants of the Company, including financial and reporting covenants and restrictive covenants limiting the ability of the Company and its subsidiaries to make certain distributions and dispositions, incur indebtedness, grant liens and limitations with respect to acquisitions, mergers, investments, non-arm's length transactions, reorganizations and hedging arrangements (subject to certain exceptions).

On December 10, 2021, Canso, in its capacity as portfolio manager for and on behalf of certain accounts that it manages and sole holder of the Senior Secured Debentures, agreed to accept the issuance of an additional 4,449 Senior Secured Debentures on June 30, 2022 and 4,627 Senior Secured Debentures on December 31, 2022 at a principal amount of $1,000 per Senior Secured Debenture in order to satisfy the interest that would otherwise become due and payable on such dates (the "Payment in Kind Transaction"). The terms of the new Senior Secured Debentures issued pursuant to the Payment in Kind Transaction were the same as the existing Senior Secured Debentures in all material respects. In connection with the Payment in Kind Transaction, the Company entered into the Seventh Supplemental Senior Secured Indenture effective as of December 15, 2021.

4. Revenue

The following are amounts for each significant category of revenue recognized:

For three months ended March 31,	2023	2022
Rendering of services	$ 134,456	$ 94,410
Sales of goods	16,023	15,438
Total	$ 150,479	$ 109,848

5. Selling, general and administrative expenses

For three months ended March 31,	2023	2022
Salaries and benefits	$ 5,360	$ 5,304
Occupancy and office costs	997	713
Professional fees	760	1,312
Travel and advertising	460	351
Insurance	591	372
Total	$ 8,168	$ 8,052

6. Share capital and loss per share

The authorized share capital of the Company consists of: (i) an unlimited number of Common Shares, and (ii) Preferred Shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding Common Shares at the time of issuance of such Preferred Shares.

The following table summarizes the number of Preferred and Common Shares outstanding:

	Preferred Shares		Common
	Series 1	Series 2	Shares
Balance as at December 31, 2022	127,732	40,111	110,001,239
Balance as at March 31, 2023	127,732	40,111	110,001,239

The Series 1 and Series 2 Preferred Shares have a 10.0% fixed cumulative preferential cash dividend payable when the Company shall have sufficient monies to be able to do so, including under the provisions of applicable law and contracts affecting the Company. The Board of Directors of the Company does not intend to declare or pay any cash dividends until such time as the Company's balance sheet and liquidity position supports the payment. Any accrued and unpaid dividends are convertible in certain circumstances at the option of the holder into additional Series 1 and Series 2 Preferred Shares.

As at March 31, 2023, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $80,810 (December 31, 2022 - $76,671). Assuming that the holders of the Preferred Shares exercise the right to convert such accrued and unpaid dividends into additional Preferred Shares and then convert such Preferred Shares into Common Shares, approximately 338,565,088 (December 31, 2022 - 319,675,972) Common Shares would be issued, which represents approximately 307.8% (December 31, 2022 - 290.6%) of the Common Shares outstanding as at March 31, 2023.

In addition, holders of the Series 1 and Series 2 Preferred Shares have the right, at their option, to convert their Preferred Shares into Common Shares at a price of $0.35 and $0.10 per Common Share, respectively, subject to adjustment in certain circumstances. During the three months ended March 31, 2023, no Series 1 or Series 2 Preferred Shares were converted into Common Shares (December 31, 2022 - 8,571 Common Shares were issued upon the conversion of three Series 1 Preferred Shares).

The Series 1 and Series 2 Preferred Shares are redeemable by the Company for cash at 110% of the purchase price for such shares, plus accrued but unpaid dividends, once all of the outstanding Senior Secured Debentures have been repaid and are subject to repayment in the event of certain change of control transactions.

Based upon the conversion rights of the Series 1 and Series 2 Preferred Shares there could be significant dilution to the current holders of Common Shares. Up to approximately 766,059,000 (December 31, 2022 - 766,059,000) additional Common Shares would be issuable upon conversion of the face amount of the Preferred Shares into Common Shares, representing approximately 696.4% (December 31, 2022 - 696.4%) of the Common Shares outstanding as at March 31, 2023.

The only potentially dilutive securities as at March 31, 2023 were the Preferred Shares. All potentially dilutive securities were anti-dilutive for the three months ended March 31, 2023 and therefore were not included in the calculation of diluted earnings per share.

7. Financial instruments and risk management

Financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, the ABL Facility, the Term Loan Facility, the Senior Secured Debentures and other secured borrowings.

a. Risk management

FLINT's Board of Directors has overall responsibility for the establishment and oversight of FLINT's risk management framework. FLINT has exposure to credit risk, interest rate risk, customer concentration risk, and liquidity risk.

(i) Credit risk

The Company has exposure to credit risk, which is the risk of financial loss to FLINT if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from FLINT's accounts receivable. The following table outlines FLINT's maximum exposure to credit risk:

		March 31, 2023		December 31, 2022
Cash	$	10,926	$	3,134
Accounts receivable		148,075		159,371
Total	$	159,001	$	162,505

Cash is held at Canadian Schedule A Banks and are therefore considered low credit risk.

FLINT has a credit policy under which each new customer is analyzed individually for creditworthiness before standard payment terms and conditions are offered. FLINT's exposure to credit risk with its customers is influenced mainly by the individual characteristics of each customer. When available, FLINT reviews credit bureau ratings, bank accounts and financial information for each new customer. FLINT's customers are primarily Canadian energy companies engaged in upstream, midstream and downstream activities, all of which have strong creditworthiness.

Of the total balance of accounts receivable at March 31, 2023, $92,535 (December 31, 2022 - $87,505) related to trade receivables and $55,540 (December 31, 2022 - $71,866) related to accrued revenue and other (i.e., for work performed but not yet invoiced).

Trade receivables are non-interest bearing and generally due on 30-90 day terms. As at March 31, 2023, approximately $8,942 of FLINT's trade receivables had been outstanding longer than 90 days (December 31, 2022 - $15,630). Management has fully evaluated the outstanding receivables as at March 31, 2023 and has determined that the lifetime expected credit losses of the trade receivables is immaterial at this time.

(ii) Interest rate risk

Interest rate risk arises from the possibility of the future cash flows of a financial instrument fluctuating as a result of changes in the market rates of interest. FLINT is subject to interest rate risk on its ABL Facility and other secured borrowings. The required cash flow to service certain credit facilities will fluctuate as a result of changes in market rates.

There are no material changes to interest rate risk for the three months ended March 31, 2023.

(iii) Customer concentration risk

There are no material changes to customer concentration for the three months ended March 31, 2023.

(iv) Liquidity risk

Liquidity risk is the risk that FLINT will not be able to meet its financial obligations as they come due. FLINT's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

FLINT's strategy is that long-term debt should always form part of its capital structure, assuming an appropriate cost. As existing debt approaches maturity, FLINT will replace it with new debt, convert it into equity or refinance or restructure, depending on the state of the capital markets at the time.

FLINT manages its liquidity risk by continuously monitoring forecast and actual gross profit and cash flows from operations. The Company anticipates that its liquidity (cash on hand and available credit facilities) and cash flows from operations will be sufficient to meet its short-term contractual obligations and to maintain compliance with its financial covenants through March 31, 2024.

8. Segment information

The Company has organized the business around differences in products and services provided to customers. All or substantially all of FLINT's operations, assets and employees are located in Canada.

FLINT has four operating segments (December 31, 2022 - five), which are aggregated into two reportable segments, as follows:

- The Maintenance and Construction Services segment is a fully integrated provider of maintenance and construction services to the energy and industrial markets. This segment provides maintenance services, welding, fabrication, machining, construction, turnaround services, heavy equipment operators and a resource/labour supply. The Maintenance and Construction reportable segment consists of the Union and Non-union operating segments as well as the Environmental operating segment on the basis of the similarities in their service offerings, customers and business environment.
- The Wear Technology Overlay Services segment specializes in the supply and fabrication of overlay pipe spools, pipe bends, wear plates and vessels for corrosion and abrasion resistant applications across various end markets. This reportable segment consists of the Wear Technology Overlay operating segment.

In addition to the reportable operating segments, the Corporate division is a standard head office function, which deals with strategic planning, corporate communications, taxes, legal, marketing, finance, financing (including interest expense), human resources and information technology for the entire organization. These costs are managed on a group basis and therefore are not allocated to operating segments.

The eliminations column includes eliminations of inter-segment transactions. FLINT accounts for inter-segment sales based on transaction price.

For the three months ended March 31, 2023	Maintenance and Construction Services	Wear Technology Overlay Services	Corporate	Eliminations	Total
Revenue	$ 136,560	$ 13,929	$ —	$ (10)	$ 150,479
Cost of revenue	(125,238)	(11,883)	—	10	(137,111)
Gross profit	11,322	2,046	—	—	13,368
Selling, general and administrative expenses	(161)	(72)	(7,935)	—	(8,168)
Long-term incentive plan expense	—	—	(995)	—	(995)
Amortization of intangible assets	(17)	(115)	—	—	(132)
Depreciation expense	(1,706)	(675)	(215)	—	(2,596)
Income from long-term investments	39	—	—	—	39
Interest expense	(192)	(78)	(4,086)	—	(4,356)
Restructuring expenses	(119)	(2)	(486)	—	(607)
Gain on sale of property, plant and equipment	122	—	—	—	122
Income (loss) from continuing operations	$ 9,288	$ 1,104	$ (13,717)	$ —	$ (3,325)

For the three months ended March 31, 2022	Maintenance and Construction Services	Wear Technology Overlay Services	Corporate	Eliminations	Total
Revenue	$ 99,436	$ 12,341	$ —	$ (1,929)	$ 109,848
Cost of revenue	(92,077)	(9,960)	—	1,929	(100,108)
Gross profit	7,359	2,381	—	—	9,740
Selling, general and administrative expenses	(152)	(74)	(7,826)	—	(8,052)
Amortization of intangible assets	(28)	(115)	—	—	(143)
Depreciation expense	(1,677)	(637)	(250)	—	(2,564)
Income from long-term investments	37	—	—	—	37
Interest expense	(234)	(90)	(3,548)	—	(3,872)
Restructuring expenses	—	—	(2,770)	—	(2,770)
Loss on contingent consideration liability	—	—	(161)	—	(161)
Gain on sale of property, plant and equipment	2	—	—	—	2
Income (loss) from continuing operations	$ 5,307	$ 1,465	$ (14,555)	$ —	$ (7,783)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Sean McMaster (1) (2)
Chair of the Board

Jordan Bitove (2) (3)
Director

H. Fraser Clarke (1) (2)
Director

Katrisha Gibson (3)
Director

Karl Johannson (1) (2) (3)
Director

Dean MacDonald (3)
Director

Notes:
(1) Member of the Audit Committee
(2) Member of the Corporate Governance and Compensation Committee
(3) Member of the Health, Safety and Environment Committee

HEAD OFFICE

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Barry Card
Chief Executive Officer

Murray Desrosiers
Interim Chief Financial Officer
Senior Vice President, Legal and Corporate Development

Neil Wotton
Chief Operating Officer

Deloris Hetherington
Vice President, Human Resources

Brad Naeth
Vice President, Wear and Environmental Services

James Healey
Vice President, Finance and Corporate Controlling

Herb Thomas
Vice President, Operations

Angela Thompson
Vice President, Corporate Services

Clint Tisnic
Vice President, Operational Finance

BANKER
TD Canada Trust

AUDITORS
Ernst & Young LLP

LEGAL COUNSEL
Blake, Cassels & Graydon LLP
McCarthy Tetrault LLP

TRANSFER AGENT
Computershare Investor Services Inc.

EXCHANGE LISTING
Toronto Stock Exchange
Symbol: FLNT

FLINT™

Helping customers bring their resources to our world. We will be the service company of choice for our stakeholders.

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