# Third Quarter

2024

flintcorp.com

# FLINT Announces Third Quarter 2024 Financial Results

**Reports record quarterly revenues of $211.6 million and Adjusted EBITDAS of $13.4 million**

Calgary, Alberta (November 5, 2024) – FLINT Corp. ("FLINT" or the "Company") (TSX: FLNT) today announced its results for the three and nine months ended September 30, 2024. 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.

"In the third quarter, we reached record levels of activity with $211.6 million in revenue and successfully executed 13 turnarounds. Adjusted EBITDAS rose by 24.4% year over year. Our dedication to client-centric service and on-time, on-budget contract execution will continue to drive our growth" said Barry Card, Chief Executive Officer.

"We successfully onboarded over 850 new employees in the third quarter, reaching a workforce high of 4,450 in September. Over 2 million exposure hours were worked throughout the quarter without a single recordable incident, showcasing our commitment to safety as it is an integral part of how we deliver services to our clients daily," added Mr. Card.

**THIRD QUARTER HIGHLIGHTS**

- Revenue for the three months ended September 30, 2024 was $211.6 million, representing an increase of $24.6 million or 13.1% from the same period in 2023 and an increase of $46.7 million or 28.3% from the second quarter of 2024.
- Gross profit for the three months ended September 30, 2024 was $23.8 million, representing an increase of $4.0 million or 20.3% from the same period in 2023 and an increase of $5.8 million or 32.1% from the second quarter of 2024.
- Gross profit margin for the three months ended September 30, 2024 was 11.2%, as compared to 10.6% in the same period in 2023 and 10.9% in the second quarter of 2024.
- Adjusted EBITDAS for the three months ended September 30, 2024 was $13.4 million, representing an increase of $2.6 million or 24.4% from the same period in 2023 and an increase of $5.1 million or 61.7% from the second quarter of 2024.
- Adjusted EBITDAS margin was 6.3% for the three months ended September 30, 2024 representing an increase of 0.5% from the same period in 2023 and an increase of 1.3% from the second quarter of 2024.
- Selling, general and administrative ("SG&A") expenses for the three months ended September 30, 2024 were $10.9 million, representing an increase of $1.9 million or 20.9% from the same period in 2023 and an increase of $0.8 million or 7.4% from the second quarter of 2024. As a percentage of revenue, SG&A expenses for the three months ended September 30, 2024 was 5.2%, as compared to 4.8% in the same period in 2023 and 6.2% in the second quarter of 2024.
- Liquidity, including cash and available credit facilities, was $48.6 million at September 30, 2024, as compared to $34.4 million at September 30, 2023.
- New contract awards and renewals totaled approximately $67.4 million for the three months ended September 30, 2024 and $18.3 million for the month of October. Approximately 85% of the work is expected to be completed in 2024.

## THIRD QUARTER FINANCIAL RESULTS

| ($ thousands, except per share amounts) | Three months ended September 30, | | | Nine months ended September 30, | | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | % Change | 2024 | 2023 | % Change |
| Revenue ($) | 211,594 | 187,017 | 13.1 | 522,779 | 506,063 | 3.3 |
| Gross Profit ($) | 23,757 | 19,740 | 20.3 | 54,745 | 50,368 | 8.7 |
| Gross Profit Margin (%) | 11.2 | 10.6 | 0.6 | 10.5 | 10.0 | 0.5 |
| Adjusted EBITDAS (1) | 13,433 | 10,796 | 24.4 | 24,926 | 24,134 | 3.3 |
| Adjusted EBITDAS Margin (%) | 6.3 | 5.8 | 0.5 | 4.8 | 4.8 | — |
| SG&A ($) | 10,934 | 9,045 | 20.9 | 31,171 | 26,785 | 16.4 |
| SG&A Margin (%) | 5.2 | 4.8 | 0.4 | 6.0 | 5.3 | 0.7 |
| Net income (loss) from continuing operations ($) | 5,305 | 2,789 | 90.2 | (69) | (12,639) | (99.5) |
| Net income (loss) ($) | 5,233 | 2,786 | 87.8 | (385) | (12,646) | (97.0) |
| Basic and Diluted: | | | | | | |
| Net income (loss) per share from continuing operations ($) | 0.05 | 0.03 | 66.7 | — | (0.11) | (100.0) |
| Net income (loss) per share ($) | 0.05 | 0.03 | 66.7 | — | (0.11) | (100.0) |

(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 for the three and nine months ended September 30, 2024 was $211,594 and $522,779 compared to $187,017 and $506,063 for the same periods in 2023, representing an increase of 13.1% and 3.3%. The increase in revenue was primarily due to the 13 turnarounds that were performed in the third quarter this year, compared to 6 turnarounds that were performed in the same period of 2023.

Gross profit for the three and nine months ended September 30, 2024 was $23,757 and $54,745 compared to $19,740 and $50,368 for the same periods in 2023, representing an increase of 20.3% and 8.7%. Gross profit margin for three and nine months ended September 30, 2024 was 11.2% and 10.5%, compared to 10.6% and 10.0% to for the same periods in 2023. The increase in gross profit margin was primarily due to the mix of work compared to the same period of 2023.

SG&A expenses for the three and nine months ended September 30, 2024 were $10,934 and $31,171, in comparison to $9,045 and $26,785 for the same periods in 2023, representing an increase of 20.9% and 16.4%. As a percentage of revenue, SG&A expenses for the three and nine months ended September 30, 2024 were 5.2% and 6.0% compared to 4.8% and 5.3% for the same periods in 2023. The increase in SG&A expenses, both on an absolute basis and as a percentage of revenue, is primarily due to higher personnel costs to support the Company's organic growth strategy and increased professional fees to assist in the ongoing continuous improvements in the business post the implementation of the Company's enterprise resource planning system.

For the three and nine months ended September 30, 2024, Adjusted EBITDAS was $13,433 and $24,926 compared to $10,796 and $24,134 for the same periods in 2023. As a percentage of revenue, Adjusted EBITDAS was 6.3% and 4.8% for the three and nine months ended September 30, 2024 compared to 5.8% and 4.8% for the same periods in 2023.

Income from continuing operations for the three months ended September 30, 2024 was $5,305 compared to $2,789 for the same period in 2023. The income variance was primarily driven by the increase in turnaround activity partially offset by higher SG&A expenses. Loss from continuing operations for the nine months ended September 30, 2024 was $69 compared to $12,639 for the same period in 2023. The loss variance was driven by the impairment of intangible assets, goodwill and PP&E recognized in the second quarter of 2023.

## LIQUIDITY AND CAPITAL RESOURCES

FLINT has an asset-based revolving credit facility (the “ABL Facility”) providing for maximum borrowings of up to $50.0 million with a Canadian chartered bank. 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, 2027.

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. To maintain compliance with its financial covenants through September 30, 2025, the Company has the ability to pay interest on the Senior Secured Debentures in kind, which requires approval by the holder of the Senior Secured Debentures at its sole discretion

As at September 30, 2024, 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 the Company's balance sheet and liquidity position supports the payment. As at September 30, 2024, the accrued and unpaid dividends on the Series 1 and Series 2 shares totaled $106.0 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.

On June 30, 2024, 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 Senior Secured Debentures on June 30, 2024 with a principal amount of $5,205 in order to satisfy the interest that would otherwise become due and payable on such date.

### ADDITIONAL INFORMATION

Our unaudited condensed interim financial statements for the three and nine months ended September 30, 2024 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.sedarplus.ca.

**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 (upstream, midstream and downstream), 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 help our customers bring their resources to our world. 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. Specifically, this press release 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 to September 30, 2025; the payment of interest owing on the Senior Secured Debentures in kind; the Company’s approach to dividends; our view that dedication to client-centric service and on-time, on-budget contract execution will continue to drive our growth; and the amount of work that is expected to be completed in 2024.

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, 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 on SEDAR+ at www.sedarplus.ca. 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 continuing 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 believes that in addition to income (loss) from continuing 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 assets, restructuring expense, gain on sale of property, plant and equipment, other income and one time incurred expenses. 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.sedarplus.ca or on FLINT’s website at www.flintcorp.com.

| (In thousands of Canadian dollars) | Three months ended September 30, 2024 | 2023 | Nine months ended September 30, 2024 | 2023 |
|---|---|---|---|---|
| Income (loss) from continuing operations | 5,305 | 2,789 | (69) | (12,639) |
| Add: | | | | |
| Amortization of intangible assets | 66 | 70 | 201 | 332 |
| Depreciation expense | 2,671 | 2,434 | 8,003 | 7,610 |
| Long-term incentive plan expense | 850 | 625 | 2,225 | 2,670 |
| Interest expense | 4,718 | 4,670 | 14,033 | 13,680 |
| EBITDAS | 13,610 | 10,588 | 24,393 | 11,653 |
| Add (deduct): | | | | |
| Gain on sale of property, plant and equipment | (810) | (133) | (1,253) | (323) |
| Impairment of goodwill and intangible assets | — | — | — | 7,289 |
| Impairment of property, plant and equipment | — | — | — | 4,173 |
| Restructuring expenses | 334 | 327 | 1,310 | 1,105 |
| Other income | (47) | (32) | (468) | (142) |
| One-time incurred expenses | 346 | 46 | 944 | 379 |
| Adjusted EBITDAS | 13,433 | 10,796 | 24,926 | 24,134 |

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# MD&A

Q3|2024

# Management's Discussion and Analysis

November 5, 2024

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 and nine months ended September 30, 2024 and 2023. This MD&A should be read in conjunction with FLINT's unaudited condensed consolidated interim financial statements and the notes thereto for the three and nine months ended September 30, 2024 and 2023 and the audited consolidated financial statements for the years ended December 31, 2023 and 2022.

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 November 5, 2024 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. 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. This MD&A also contains information that may constitute "forward-looking information" with the meaning of Canadian securities laws. 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.

## OVERVIEW OF OUR BUSINESS

As of January 1, 2024, the level of disaggregation of financial results reported to the Company’s chief operating decision makers has been revised in conjunction with an internal reorganization. As a result, the Company has one reportable segment as at September 30, 2024. Previously, the Company had two reportable segments: the Maintenance and Construction Services segment and the Wear Technology Overlay Services segment. This change is reflective of the Company’s integration of its fabrication and overlay services with its maintenance, turnaround and construction services in an effort to enhance the value offering for its customers.

FLINT’s services include maintenance and turnarounds, facility construction, fabrication, modularization and machining, wear technologies and weld overlays, pipeline installation and integrity, electrical and instrumentation, workforce supply, heavy equipment operators, and environmental services. FLINT is a leading provider of these services to energy and industrial markets, including oil and gas (upstream, midstream and downstream), petrochemical, mining, power, agriculture, forestry, infrastructure and water treatment. Its operations, assets and employees are mainly located in Canada with some activity in the United States.

FLINT utilizes EBITDAS and Adjusted EBITDAS as performance measures to evaluate its results. These measures are considered to be non-GAAP financial measures under IFRS. See "Advisory regarding Non-GAAP Financial Measures".

**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 September 30, 2025; the payment of interest owing on the Senior Secured Debentures in kind; the Company’s approach to dividends; the outlook for oil and natural gas prices and their impact on the demand for our services and impact on our customers in the energy industry; the expectation that activity levels to be moderate in the fourth quarter relative to what the Company experienced in the third quarter; our outlook that near term demand will increase for natural gas from heating, power, and LNG exports; opportunities for growth in our service offerings; that the market for skilled labour in Canada remains tight; and the Company’s focus on its programs to attract, retain and develop its people and to deliver high quality services to its valued customers in a safe and efficient manner.

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, 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 on SEDAR+ at www.sedarplus.ca. 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 continuing 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 believes that in addition to income (loss) from continuing 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 assets, restructuring expense, gain on sale of property, plant and equipment, other income and one time incurred expenses. 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.sedarplus.ca or on FLINT’s website at www.flintcorp.com.

## THIRD QUARTER 2024 SUMMARY OF RESULTS – CONTINUING OPERATIONS

(In thousands of Canadian dollars)

| | Three months ended September 30, 2024 | Three months ended September 30, 2023 | Nine months ended September 30, 2024 | Nine months ended September 30, 2023 |
|---|---|---|---|---|
| Revenue | $ 211,594 | $ 187,017 | $ 522,779 | $ 506,063 |
| Cost of revenue | (187,837) | (167,277) | (468,034) | (455,695) |
| Gross profit | 23,757 | 19,740 | 54,745 | 50,368 |
| Selling, general and administrative expenses | (10,934) | (9,045) | (31,171) | (26,785) |
| Long-term incentive plan expense | (850) | (625) | (2,225) | (2,670) |
| Amortization of intangible assets | (66) | (70) | (201) | (332) |
| Depreciation expense | (2,671) | (2,434) | (8,003) | (7,610) |
| Income from long-term investments | 264 | 55 | 408 | 172 |
| Interest expense | (4,718) | (4,670) | (14,033) | (13,680) |
| Restructuring expenses | (334) | (327) | (1,310) | (1,105) |
| Impairment of goodwill and intangible assets | — | — | — | (7,289) |
| Impairment of property, plant and equipment | — | — | — | (4,173) |
| Gain on sale of property, plant and equipment | 810 | 133 | 1,253 | 323 |
| Other income | 47 | 32 | 468 | 142 |
| Income (loss) from continuing operations | 5,305 | 2,789 | (69) | (12,639) |
| Add: | | | | |
| Amortization of intangible assets | 66 | 70 | 201 | 332 |
| Depreciation expense | 2,671 | 2,434 | 8,003 | 7,610 |
| Long-term incentive plan expense | 850 | 625 | 2,225 | 2,670 |
| Interest expense | 4,718 | 4,670 | 14,033 | 13,680 |
| EBITDAS (1) | 13,610 | 10,588 | 24,393 | 11,653 |
| Add (deduct): | | | | |
| Gain on sale of property, plant and equipment | (810) | (133) | (1,253) | (323) |
| Impairment of goodwill and intangible assets | — | — | — | 7,289 |
| Impairment of property, plant and equipment | — | — | — | 4,173 |
| Restructuring expenses | 334 | 327 | 1,310 | 1,105 |
| Other income | (47) | (32) | (468) | (142) |
| One-time incurred expenses | 346 | 46 | 944 | 379 |
| Adjusted EBITDAS (1) | $ 13,433 | $ 10,796 | $ 24,926 | $ 24,134 |

(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 income (loss) per share (dollars) | Three months ended September 30, 2024 | Three months ended September 30, 2023 | Nine months ended September 30, 2024 | Nine months ended September 30, 2023 |
|---|---|---|---|---|
| **Basic & Diluted:** | | | | |
| Continuing operations | $ 0.05 | $ 0.03 | $ 0.00 | $ (0.11) |
| Discontinued operations | $ 0.00 | $ 0.00 | $ 0.00 | $ 0.00 |
| Net income (loss) | $ 0.05 | $ 0.03 | $ 0.00 | $ (0.11) |

| Selected Balance Sheet Accounts | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Total assets | $ 261,283 | $ 216,632 |
| ABL facility | 760 | — |
| Term loan facility | 40,308 | 40,278 |
| Senior secured debentures | 134,461 | 129,171 |
| Other secured borrowings | 11,251 | 12,500 |
| Shareholders' deficit | $ 55,521 | $ 55,136 |

**THREE MONTHS ENDED**

Revenue for the three months ended September 30, 2024 was $211,594 compared to $187,017 for the same period in 2023, representing an increase of 13.1%. The increase in revenue was primarily due to the 13 turnarounds that were performed in the third quarter this year, compared to 6 turnarounds that were performed in the same period of 2023.

Gross profit for the three months ended September 30, 2024 was $23,757 compared to $19,740 for the same period in 2023, representing an increase of 20.3%. Gross profit margin for the three months ended September 30, 2024 was 11.2% compared to 10.6% for the same period in 2023. The increase in gross profit margin was primarily due to the mix of work compared to the same period of 2023.

Selling, general and administrative ("SG&A") expenses for the three months ended September 30, 2024 were $10,934 in comparison to $9,045 for the same period in 2023, representing an increase of 20.9%. As a percentage of revenue, SG&A expenses for the three months ended September 30, 2024 were 5.2% compared to 4.8% for the same period in 2023. The increase in SG&A expenses, both on an absolute basis and as a percentage of revenue, is primarily due to higher personnel costs to support the Company's organic growth strategy and increased professional fees to assist in the ongoing continuous improvements in the business post the implementation of the Company's enterprise resource planning system.

Non-cash items that impacted the 2024 results were depreciation and amortization. For the three months ended September 30, 2024, depreciation and amortization expenses were $2,737 compared to $2,504 for the same period in 2023. The increase in depreciation expenses was primarily due to an increase in vehicle lease additions to support ongoing business activity.

For the three months ended September 30, 2024, interest expenses were $4,718 compared to $4,670 for the same period in 2023, representing an increase of 1.0%. The increase in interest expense was primarily due to the increase in the principal amount of Senior Secured Debentures outstanding due to the settlement of interest owing in kind.

Income from continuing operations for the three months ended September 30, 2024 was $5,305 in comparison to $2,789 for the same period in 2023, representing an increase of 90.2%. The income variance was primarily driven by the increase in turnaround activity partially offset by higher SG&A expenses.

For the three months ended September 30, 2024, Adjusted EBITDAS was $13,433 compared to $10,796 for the same period in 2023. As a percentage of revenue, Adjusted EBITDAS margin was 6.3% for the three months ended September 30, 2024 compared to 5.8% for the same period in 2023.

**NINE MONTHS ENDED**

Revenue for the nine months ended September 30, 2024 was $522,779 compared to $506,063 for the same period in 2023, representing an increase of 3.3%. The increase in revenue was primarily due to high turnaround activity experienced in the third quarter of the year combined with the increase in revenues coming from environmental services as those services continue to grow.

Gross profit for the nine months ended September 30, 2024 was $54,745 compared to $50,368 for the same period in 2023, representing an increase of 8.7%. Gross profit margin for the nine months ended September 30, 2024 was 10.5% compared to 10.0% for the same period in 2023. The increase in gross profit margin relates to the same factors that impact the three months ended.

SG&A expenses for the nine months ended September 30, 2024 were $31,171 in comparison to $26,785 for the same period in 2023, representing an increase of 16.4%. As a percentage of revenue, SG&A expenses for the nine months ended September 30, 2024 were 6.0% compared to 5.3% for the same period in 2023. The increase in SG&A expenses, both on an absolute basis and as a percentage of revenue, relates to the same factors that impact the three months ended.

Non-cash items that impacted the 2024 results were depreciation and amortization. For the nine months ended September 30, 2024, depreciation and amortization expenses were $8,204 compared to $7,942 for the same period in 2023. The increase in depreciation expenses relates to the same factors that impact the three months ended.

For the nine months ended September 30, 2024, interest expenses were $14,033 compared to $13,680 for the same period in 2023, representing an increase of 2.6%. The increase in interest expense relates to the same factors that impact the three months ended.

Loss from continuing operations for the nine months ended September 30, 2024 was $69 in comparison to $12,639 for the same period in 2023. The loss variance was driven by the impairment of intangible assets, goodwill and PP&E recognized in the second quarter of 2023.

For the nine months ended September 30, 2024, Adjusted EBITDAS was $24,926 compared to $24,134 for the same period in 2023. As a percentage of revenue, Adjusted EBITDAS for the nine months ended September 30, 2024 was 4.8% consistent with the same period in 2023.

## LIQUIDITY AND CAPITAL RESOURCES

| For nine months ended September 30, | | 2024 | | 2023 |
|---|---|---|---|---|
| Cash flow (used in) provided by operating activities | $ | (3,146) | $ | 3,583 |
| Cash flow provided by (used in) investing activities | | 2,336 | | (1,446) |
| Cash flow used in financing activities | | (7,886) | | (4,236) |
| Cash, end of period | $ | 1,000 | $ | 1,035 |

**Operating Activities**

Cash flow used in operating activities in 2024 is a result of a build up of working capital due to the increase in revenue recognized in the third quarter of this year.

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. To maintain compliance with its financial covenants through September 30, 2025, the Company has the ability to pay interest on the Senior Secured Debentures in kind, which requires approval by the holder of the Senior Secured Debentures at its sole discretion.

**Investing Activities**

Cash flow provided by investing activities in 2024 consisted of proceeds from the disposal of certain PP&E partially offset by the purchase of PP&E.

**Financing Activities**

Net cash used in financing activities in 2024 consisted of repayment of lease principal payments and principal payments on other secured borrowings. This was partially offset by an increase in the amount drawn on the ABL facility.

**ABL Facility, Term Loan Facility and Other Borrowings**

a. ABL Facility

FLINT has an asset-based revolving credit facility (the "ABL Facility") providing for maximum borrowings of up to $50,000 with a Canadian chartered bank (the "Lender"). The ABL Facility matures on April 14, 2027.

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 September 30, 2024 was $50,000 (December 31, 2023 - $50,000). 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 1.75% (December 31, 2023 - Lender's prime rate plus 2.5%).

As at September 30, 2024, $1,097 (December 31, 2023 - nil) was drawn on the ABL Facility, and there were $450 (December 31, 2023 - $2,147) of letters of credit reducing the amount available to be drawn. As at September 30, 2024, the net amount of deferred financing costs was $337 (December 31, 2023 - $323).

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
- For each fiscal year, the Company must not expend or become obligated for (i) any capital expenditures in an aggregate amount exceeding $20,000 and (ii) any non-financed capital expenditures in an aggregate amount exceeding $8,000.

As at September 30, 2024, 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, 2027.

As at September 30, 2024, $40,500 (December 31, 2023 - $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, 2023 - fixed rate of 8.0%). The net amount of deferred financing costs was $192 as at September 30, 2024 (December 31, 2023 - $222).

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 principal 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 had monthly principal payments of $75. The interest rate on the loan was the BDC Floating Base Rate less 0.5%. Interest accrued and was payable monthly. The Company allocated $85 in deferred financing costs to this loan that were amortized over the life of the loan. The final payment for this loan occurred on June 6, 2024.

The $13,500 loan is 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 $13,500 loan agreement with BDC requires 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 September 30, 2024, FLINT was in compliance with all financial covenants under the $13,500 loan agreement 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. On May 31, 2024, the maturity date of the Senior Secured Debentures was extended to October 14, 2027.

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 June 30, 2024, 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 Senior Secured Debentures on June 30, 2024 with a principal amount of $5,205 in order to satisfy the interest that would otherwise have become due and payable on such date.

## 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, 2023.

## 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.

## TRANSACTIONS WITH RELATED PARTIES

As at September 30, 2024, directors and officers beneficially owned an aggregate of 7,611,907 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 outstanding:

| | Preferred Shares | | Common |
|---|---|---|---|
| | Series 1 | Series 2 | Shares |
| Balance as at December 31, 2023 | 127,732 | 40,111 | 110,001,239 |
| Balance as at September 30, 2024 | 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 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 September 30, 2024, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $106,021 (December 31, 2023 - $93,456). 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 453,631,569 (December 31, 2023 - 396,281,829) Common Shares would be issued, which represents approximately 412.4% (December 31, 2023 - 360.3%) of the Common Shares outstanding as at September 30, 2024.

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 nine months ended September 30, 2024, no Series 1 or Series 2 Preferred Shares were converted into Common Shares (year ended December 31, 2023 - no Series 1 or Series 2 Preferred Shares were converted into Common 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, 2023 - 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, 2023 - 696.4%) of the Common Shares outstanding as at September 30, 2024.

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

We continue to execute our organic growth strategy that targets both industrial end market and geographic diversification. We are seeing the results of this strategy with renewed and expanded scopes with existing customers and the addition of new customers. We recognized another record this quarter with $212 million of revenues generated as a result of 13 turnarounds performed. We expect activity levels to be moderate in the fourth quarter relative to what we experienced in the third quarter, which is typical for our business.

For our customers in the energy industry, the dichotomy between oil and natural gas pricing continues. Natural gas prices have remained depressed throughout 2024, however there is optimism that demand will increase in 2025 for natural gas from heating, power, and LNG exports. For oil, near term pricing has declined due to weakened global demand, which has led to extended voluntary production cuts by OPEC+. While our customers continue to manage through this pricing uncertainty, we see opportunities for growth in our service offerings.

The market for skilled labour in Canada remains tight. We remain focused on our programs to attract, retain and develop our people and to deliver high quality services to our valued customers in a safe and efficient manner.

FLINT has a suite of more than 40 service offerings that encompass the full asset lifecycle. 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 our customers. We are also continually working to improve our service delivery to help our customers bring their resources to our world.

## 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, 2023.

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, 2023, which is available on the SEDAR+ website at www.sedarplus.ca.

## 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 nine months ended September 30, 2024.

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.

## SELECTED QUARTERLY INFORMATION

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

| | 2024 Q3 | 2024 Q2 | 2024 Q1 | 2023 Q4 | 2023 Q3 | 2023 Q2 | 2023 Q1 | 2022 Q4 |
|---|---|---|---|---|---|---|---|---|
| Revenue ($) | 211,594 | 164,922 | 146,263 | 149,682 | 187,017 | 168,567 | 150,479 | 149,747 |
| Gross Profit ($) | 23,757 | 17,978 | 13,010 | 17,145 | 19,740 | 17,260 | 13,368 | 17,075 |
| Gross Profit Margin (%) | 11.2 | 10.9 | 8.9 | 11.5 | 10.6 | 10.2 | 8.9 | 11.4 |
| Adjusted EBITDAS | 13,433 | 8,305 | 3,188 | 8,868 | 10,796 | 7,894 | 5,444 | 8,758 |
| Net income (loss) from continuing operations ($) | 5,305 | (588) | (4,786) | (255) | 2,789 | (12,103) | (3,325) | (4,848) |
| Net income (loss) income ($) | 5,233 | (606) | (5,012) | (261) | 2,786 | (12,107) | (3,325) | (5,379) |
| Net income (loss) per share from continuing operations ($) | 0.05 | 0.00 | (0.05) | (0.01) | 0.03 | (0.11) | (0.03) | (0.04) |
| Net income (loss) income per share ($) | 0.05 | 0.00 | (0.05) | (0.01) | 0.03 | (0.11) | (0.03) | (0.05) |

FLINT's revenues are somewhat seasonal as there are scheduled shutdown turnaround projects in the spring and fall which increase revenues over and above the standard maintenance and operational support services.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available in the Company's Annual Information Form for the year ended December 31, 2023.

FLINT™

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# Financial Statements

Q3|2024

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF

**FLINT CORP.**

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

(UNAUDITED)

**Consolidated Interim Balance Sheets**

(In thousands of Canadian dollars)

(Unaudited)

| | Notes | September 30, 2024 | December 31, 2023 |
|---|---|---|---|
| **Assets** | | | |
| Cash | 7 | $ 1,000 | $ 9,696 |
| Accounts receivable | 7 | 196,367 | 139,904 |
| Inventories | | 4,465 | 6,251 |
| Prepaid expenses | | 4,222 | 2,948 |
| **Total current assets** | | 206,054 | 158,799 |
| Property, plant and equipment | 2 | 53,156 | 55,717 |
| Goodwill and intangible assets | | 1,254 | 1,455 |
| Long-term investments | | 819 | 661 |
| **Total assets** | | **$ 261,283** | **$ 216,632** |
| **Liabilities and shareholders' deficit** | | | |
| Accounts payable and accrued liabilities | | $ 91,744 | $ 50,015 |
| Current portion of lease liabilities | | 9,768 | 9,031 |
| Current portion of long-term incentive plan liability | | 2,575 | 2,668 |
| Current portion of other secured borrowings | 3 | 539 | 1,383 |
| **Total current liabilities** | | 104,626 | 63,097 |
| Long-term incentive plan liability | | 2,632 | 2,918 |
| ABL facility | 3 | 760 | — |
| Term loan facility | 3 | 40,308 | 40,278 |
| Lease liabilities | | 23,305 | 25,187 |
| Other secured borrowings | 3 | 10,712 | 11,117 |
| Senior secured debentures | 3 | 134,461 | 129,171 |
| **Total liabilities** | | 316,804 | 271,768 |
| Common shares | 6 | 462,057 | 462,057 |
| Preferred shares | 6 | 141,930 | 141,930 |
| Contributed surplus | | 20,679 | 20,679 |
| Deficit | | (680,187) | (679,802) |
| **Total shareholders' deficit** | | (55,521) | (55,136) |
| **Total liabilities and shareholders' deficit** | | **$ 261,283** | **$ 216,632** |

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

**Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)**

(In thousands of Canadian dollars)

(Unaudited)

| | Notes | Three months ended September 30, 2024 | Three months ended September 30, 2023 | Nine months ended September 30, 2024 | Nine months ended September 30, 2023 |
|---|---|---|---|---|---|
| Revenue | 4 | $ 211,594 | $ 187,017 | $ 522,779 | $ 506,063 |
| Cost of revenue | | (187,837) | (167,277) | (468,034) | (455,695) |
| **Gross profit** | | 23,757 | 19,740 | 54,745 | 50,368 |
| Selling, general and administrative expenses | 5 | (10,934) | (9,045) | (31,171) | (26,785) |
| Long-term incentive plan expense | | (850) | (625) | (2,225) | (2,670) |
| Amortization of intangible assets | | (66) | (70) | (201) | (332) |
| Depreciation expense | 2 | (2,671) | (2,434) | (8,003) | (7,610) |
| Income from long-term investments | | 264 | 55 | 408 | 172 |
| Interest expense | | (4,718) | (4,670) | (14,033) | (13,680) |
| Restructuring expenses | | (334) | (327) | (1,310) | (1,105) |
| Impairment of goodwill and intangible assets | | — | — | — | (7,289) |
| Impairment of property, plant and equipment | | — | — | — | (4,173) |
| Gain on sale of property, plant and equipment | | 810 | 133 | 1,253 | 323 |
| Other income | | 47 | 32 | 468 | 142 |
| **Income (loss) from continuing operations** | | 5,305 | 2,789 | (69) | (12,639) |
| Loss from discontinued operations (net of income taxes) | | (72) | (3) | (316) | (7) |
| **Net income (loss) and comprehensive income (loss)** | | **$ 5,233** | **$ 2,786** | **$ (385)** | **$ (12,646)** |
| **Net income (loss) per share (dollars)** | | | | | |
| Basic and diluted: | | | | | |
| Continuing operations | | $ 0.05 | $ 0.03 | $ 0.00 | $ (0.11) |
| Discontinued operations | | $ 0.00 | $ 0.00 | $ 0.00 | $ 0.00 |
| Net income (loss) | | $ 0.05 | $ 0.03 | $ 0.00 | $ (0.11) |

*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, 2023 | | 110,001,239 | $ 462,057 | $ 141,930 | $ 20,679 | $ (679,802) | $ (55,136) |
| Net loss | | — | — | — | — | (385) | (385) |
| At September 30, 2024 | | 110,001,239 | $ 462,057 | $ 141,930 | $ 20,679 | $ (680,187) | $ (55,521) |

| | 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 | | — | — | — | — | (12,646) | (12,646) |
| At September 30, 2023 | | 110,001,239 | $ 462,057 | $ 141,930 | $ 20,679 | $ (679,541) | $ (54,875) |

*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 nine months ended September 30, | Notes | 2024 | 2023 |
|---|---|---|---|
| **Operating activities:** | | | |
| Net loss | | $ (385) | $ (12,646) |
| Adjustments for: | | | |
| Amortization of intangible assets | | 201 | 332 |
| Depreciation expense | 2 | 8,003 | 7,610 |
| Income from long-term investment | | (408) | (172) |
| Accretion expense | | 132 | 142 |
| Non-cash interest expense | | 5,278 | 4,812 |
| Impairment of goodwill and intangible assets | | — | 7,289 |
| Impairment of property, plant and equipment | | — | 4,173 |
| Amortization of deferred financing costs | 3 | 215 | 270 |
| Gain on sale of property, plant and equipment | | (1,253) | (323) |
| Other | | (8) | (142) |
| Changes in non-cash working capital | | (14,921) | (7,762) |
| **Cash flow (used in) provided by operating activities** | | (3,146) | 3,583 |
| **Investing activities:** | | | |
| Purchase of property, plant and equipment | | (2,485) | (2,667) |
| Net proceeds on disposal of property, plant and equipment | | 4,571 | 1,221 |
| Dividend proceeds from equity investment | | 250 | — |
| **Cash flow provided by (used in) investing activities** | | 2,336 | (1,446) |
| **Financing activities:** | | | |
| Repayment of other secured borrowings | 3 | (1,297) | (1,257) |
| Increase in ABL facility | 3 | 1,097 | 3,733 |
| Refinancing fees | | (199) | (11) |
| Repayment of lease liabilities | | (7,487) | (6,701) |
| **Cash flow used in financing activities** | | (7,886) | (4,236) |
| Decrease in cash | | (8,696) | (2,099) |
| Cash, beginning of period | | 9,696 | 3,134 |
| **Cash, end of period** | | $ 1,000 | $ 1,035 |

*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's services include maintenance and turnarounds, facility construction, fabrication, modularization and machining, wear technologies and weld overlays, pipeline installation and integrity, electrical and instrumentation, workforce supply, heavy equipment operators, and environmental services. FLINT is a leading provider of these services to energy and industrial markets, including oil and gas (upstream, midstream and downstream), petrochemical, mining, power, agriculture, forestry, infrastructure and water treatment.

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 November 5, 2024.

As of January 1, 2024, the level of disaggregation of financial results reported to the Company's chief operating decision makers has been revised in conjunction with an internal reorganization. As a result, the Company has one reportable segment as at September 30, 2024. Previously, the Company had two reportable segments: the Maintenance and Construction Services segment and the Wear Technology Overlay Services segment.

**1. Material 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, 2023. There have been no significant changes in accounting policies compared to those described in the most recent annual consolidated financial statements. Certain amounts in the previous periods presented herein have been reclassified from the prior year to conform to the current period presentation.

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. Seasonality of operations

FLINT's revenues are somewhat seasonal, in that its customers typically schedule shutdown turnaround projects in the spring and fall which increase revenues over and above the standard maintenance and operational support services. This typically results in higher activity levels and revenues for FLINT in the second and third quarters of the year.

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

The accounting policies utilized 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, 2023, except for the adoption of new standards effective as of January 1, 2024, as described below.

(i) Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current - Amendments to IAS 1

The amendments to IAS 1 clarify what is meant by a right to defer settlement; that a right to defer settlement must exist at the end of the reporting period; that classification is unaffected by the likelihood that an entity will exercise its deferral right; that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification; as well as certain disclosure matters.

(ii) Lease Liability in a Sale and Leaseback - Amendments to IFRS 16

The amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

(iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 and IFRS 7 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

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

d. Standards issued but not yet effective

(i) Presentation and Disclosures in Financial Statements - IFRS 18 replacing IAS 1

IFRS 18 introduces new requirements for presentation within the statements of income (loss) and comprehensive income (loss), including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements ("PFS") and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the 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, 2023 | $ 18,491 | $ 1,908 | $ 19,115 | $ 786 | $ 56,726 | $ 44,845 | $ 141,871 |
| Additions | — | 97 | 2,252 | — | 5,072 | 136 | 7,557 |
| Remeasurement | — | — | — | — | 1,205 | — | 1,205 |
| Disposals | (1,731) | — | (184) | — | — | (8,362) | (10,277) |
| Asset class transfer | — | — | (177) | — | (2,046) | 2,223 | — |
| As at September 30, 2024 | $ 16,760 | $ 2,005 | $ 21,006 | $ 786 | $ 60,957 | $ 38,842 | $ 140,356 |
| **Accumulated depreciation and impairment** | | | | | | | |
| As at December 31, 2023 | $ 2,995 | $ 1,460 | $ 12,708 | $ 467 | $ 32,598 | $ 35,926 | $ 86,154 |
| Depreciation | 388 | 105 | 881 | 161 | 5,286 | 1,182 | 8,003 |
| Disposals | (294) | — | (139) | — | — | (6,524) | (6,957) |
| Asset class transfer | — | — | (6) | — | (1,536) | 1,542 | — |
| As at September 30, 2024 | $ 3,089 | $ 1,565 | $ 13,444 | $ 628 | $ 36,348 | $ 32,126 | $ 87,200 |
| **Net book value** | | | | | | | |
| As at December 31, 2023 | $ 15,496 | $ 448 | $ 6,407 | $ 319 | $ 24,128 | $ 8,919 | $ 55,717 |
| As at September 30, 2024 | $ 13,671 | $ 440 | $ 7,562 | $ 158 | $ 24,609 | $ 6,716 | $ 53,156 |

Right-of-use assets consist of the following:

| | Land and buildings | Automotive and heavy equipment | Total |
|---|---|---|---|
| **Cost** | | | |
| As at December 31, 2023 | $ 39,138 | $ 17,588 | $ 56,726 |
| Additions | — | 5,072 | 5,072 |
| Remeasurement | 1,205 | — | 1,205 |
| Asset class transfer | — | (2,046) | (2,046) |
| As at September 30, 2024 | $ 40,343 | $ 20,614 | $ 60,957 |
| **Accumulated depreciation and impairment** | | | |
| As at December 31, 2023 | $ 25,649 | $ 6,949 | $ 32,598 |
| Depreciation | 2,821 | 2,465 | 5,286 |
| Asset class transfer | — | (1,536) | (1,536) |
| As at September 30, 2024 | $ 28,470 | $ 7,878 | $ 36,348 |
| **Net book value** | | | |
| As at December 31, 2023 | $ 13,489 | $ 10,639 | $ 24,128 |
| As at September 30, 2024 | $ 11,873 | $ 12,736 | $ 24,609 |

**Remeasurement**

During the first quarter of 2024, the Company amended a building lease to include additional leased premises. This amendment to the lease agreement represents a lease modification, and therefore the lease liability and right-of-use asset were remeasured during the quarter. This remeasurement resulted in an increase to the lease liability and related right-of-use asset of $1,205. The lease amendment will impact future cash flows, with fixed payments of $21 per month in the first year of the amendment, increasing to $23 per month in years two to four, with a final increase to $26 per month in years five to seven.

**3. ABL Facility, Term Loan Facility and Other Borrowings**

a. ABL Facility

FLINT has a $50,000 asset-based revolving credit facility (the "ABL Facility") maturing on April 14, 2027. 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 September 30, 2024 was $50,000 (December 31, 2023 - $50,000). 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 1.75% (December 31, 2023 - Lender's prime rate plus 2.5%).

As at September 30, 2024, $1,097 (December 31, 2023 - nil) was drawn on the ABL Facility, and there were $450 (December 31, 2023 - $2,147) of letters of credit reducing the amount available to be drawn. As at September 30, 2024, the net amount of deferred financing costs was $337 (December 31, 2023 - $323).

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
- For each fiscal year, the Company must not expend or become obligated for (i) any capital expenditures in an aggregate amount exceeding $20,000 and (ii) any non-financed capital expenditures in an aggregate amount exceeding $8,000.

As at September 30, 2024, 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, 2027.

As at September 30, 2024, $40,500 (December 31, 2023 - $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, 2023 - fixed rate of 8.0%). The net amount of deferred financing costs was $192 as at September 30, 2024 (December 31, 2023 - $222).

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 principal 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 had monthly principal payments of $75. The interest rate on the loan was the BDC Floating Base Rate less 0.5%. Interest accrued and was payable monthly. The Company allocated $85 in deferred financing costs to this loan that were amortized over the life of the loan. The final payment for this loan occurred on June 6, 2024.

The $13,500 loan is 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 $13,500 loan agreement with BDC requires 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 September 30, 2024, FLINT was in compliance with all financial covenants under the $13,500 loan agreement with BDC.

d. Senior Secured Debentures

| | | |
|---|---|---|
| Balance as at December 31, 2022 | $ | 119,048 |
| Accretion | | 306 |
| Debentures issued to settle interest | | 9,817 |
| Balance as at December 31, 2023 | $ | 129,171 |
| Accretion | | 85 |
| Debentures issued to settle interest | | 5,205 |
| Balance as at September 30, 2024 | $ | 134,461 |

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. On May 31, 2024, the maturity date of the Senior Secured Debentures was extended to October 14, 2027.

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 June 30, 2024, 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 Senior Secured Debentures on June 30, 2024 with a principal amount of $5,205 in order to satisfy the interest that would otherwise have become due and payable on such date.

**4. Revenue**

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

| | Three months ended September 30, 2024 | Three months ended September 30, 2023 | Nine months ended September 30, 2024 | Nine months ended September 30, 2023 |
|---|---|---|---|---|
| Rendering of services | $ 194,039 | $ 168,495 | $ 475,064 | $ 457,297 |
| Sales of goods | 17,555 | 18,522 | 47,715 | 48,766 |
| Total | $ 211,594 | $ 187,017 | $ 522,779 | $ 506,063 |

### 5. Selling, general and administrative expenses

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Salaries and benefits | $ 7,742 | $ 6,224 | $ 21,609 | $ 18,079 |
| Occupancy and office costs | 1,342 | 1,259 | 3,606 | 3,387 |
| Professional fees | 983 | 518 | 3,310 | 2,234 |
| Travel and advertising | 479 | 547 | 1,394 | 1,548 |
| Insurance | 388 | 497 | 1,252 | 1,537 |
| Total | $ 10,934 | $ 9,045 | $ 31,171 | $ 26,785 |

### 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, 2023 | 127,732 | 40,111 | 110,001,239 |
| Balance as at September 30, 2024 | 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 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 September 30, 2024, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $106,021 (December 31, 2023 - $93,456). 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 453,631,569 (December 31, 2023 - 396,281,829) Common Shares would be issued, which represents approximately 412.4% (December 31, 2023 - 360.3%) of the Common Shares outstanding as at September 30, 2024.

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 nine months ended September 30, 2024, no Series 1 or Series 2 Preferred Shares were converted into Common Shares (year ended December 31, 2023 - no Series 1 or Series 2 Preferred Shares were converted into Common 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, 2023 - 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, 2023 - 696.4%) of the Common Shares outstanding as at September 30, 2024.

The only potentially dilutive securities as at September 30, 2024 were the Preferred Shares. All potentially dilutive securities were anti-dilutive for the three and nine months ended September 30, 2024, 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:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Cash | $ 1,000 | $ 9,696 |
| Accounts receivable | 196,367 | 139,904 |
| Total | $ 197,367 | $ 149,600 |

Cash is held at a Canadian Schedule 1 Bank and is 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 companies operating in energy and industrial markets, all of which have strong creditworthiness.

Of the total balance of accounts receivable at September 30, 2024, $121,948 (December 31, 2023 - $93,685) related to trade receivables and $74,419 (December 31, 2023 - $46,219) related to accrued revenue and other (i.e., for work performed but not yet invoiced).

Trade receivables are non-interest bearing and are generally due on 30-90 day terms. As at September 30, 2024, approximately $8,774 of FLINT's trade receivables had been outstanding longer than 90 days (December 31, 2023 - $12,295). Management has fully evaluated the outstanding receivables as at September 30, 2024 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 were no material changes to interest rate risk for the three and nine months ended September 30, 2024.

(iii) Customer concentration risk

There were no material changes to customer concentration for the three and nine months ended September 30, 2024.

(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 September 30, 2025. To maintain compliance with its financial covenants through September 30, 2025, the Company has the ability to pay interest on the Senior Secured Debentures in kind, which requires approval by the holder of the Senior Secured Debentures at its sole discretion (see Note 3).

# CORPORATE INFORMATION

BOARD OF DIRECTORS

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

*Barry Card*
Director

*H. Fraser Clarke* (1) (2)
Director

*Katrisha Gibson* (1) (3)
Director

*Karl Johannson* (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

OFFICERS

*Barry Card*
Chief Executive Officer

*Jennifer Stubbs*
Chief Financial Officer

*Neil Wotton*
Chief Operating Officer

*Kent Chicilo*
Senior Vice President, Legal

*Robert Farthing*
Vice President, Operational Delivery and Projects

*James Healey*
Vice President, Finance and Corporate Controlling

*Deloris Rushton*
Vice President, Human Resources and Marketing

*Herb Thomas*
Vice President, Maintenance and Construction

*Angela Thompson*
Vice President, Commercial and Environmental Services

*Clint Tisnic*
Vice President, Operational Finance

HEAD OFFICE

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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

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

## Corporate Office


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