FLINT Announces Fourth Quarter and 2024 Annual Financial Results

Reports record full year revenues of $710.6 million and Adjusted EBITDAS of $35.5 million

Calgary, Alberta (March 11, 2025) – FLINT Corp. ("FLINT" or the "Company") (TSX: FLNT) today announced its results for the three and twelve months ended December 31, 2024. All amounts are in Canadian dollars and expressed in millions 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.

"2024 was the third consecutive year of record annual revenues for FLINT at $710.6 million, representing an increase of 8.4% over 2023. This performance was driven by the advancement of our organic growth strategy across Canada and the successful completion of our busiest turnaround season on record. Our annual total recordable injury frequency ("TRIF") rate fell to 0.13, representing the best safety performance in our Company's history. The unwavering commitment of our employees to uphold our core values and deliver our services safely, on time, and on budget provides our valued clients with high-quality, predictable outcomes, which is paramount to our success," said Barry Card, Chief Executive Officer.

"2024 was also highlighted by improving our Adjusted EBITDAS to $35.5 million, which represents an increase of 7.5% over 2023 and generating net income of $1.3 million. We have consistently improved our financial performance over the past three years with our organic growth strategy. As we look ahead, we remain dedicated to advancing our strategies with industrial market diversification and geographic expansion, upholding our commitment to our stakeholders, while advancing our position in the markets we serve," added Mr. Card.

ANNUAL HIGHLIGHTS

- Revenues for the year ended December 31, 2024 were $710.6 million, representing an increase of $54.8 million or 8.4% from 2023. The increase in revenue was primarily due to the advancement of our growth strategy which led to our busiest turnaround season on record combined with the increase in revenues from environmental services as those services continue to grow.

- Gross profit for the year ended December 31, 2024 was $74.9 million, representing an increase of $7.4 million or 11.0% from 2023. The increase in gross profit was primarily due to the increase in revenue noted above.

- Gross profit margin for the year ended December 31, 2024 was 10.5% compared to 10.3% in 2023. The increase in gross profit margin was primarily due to the mix of work compared to the same period of 2023.

- Adjusted EBITDAS for the year ended December 31, 2024 was $35.5 million, representing an increase of $2.5 million or 7.5% from 2023.

- Adjusted EBITDAS margin for the year ended December 31, 2024 was 5.0% consistent with 5.0% from the same period in 2023.

- Selling, general and administrative ("SG&A") expenses for year ended December 31, 2024 were $41.1 million, representing an increase of $5.4 million or 15.1% from 2023. As a percentage of revenue, SG&A expenses for the year ended December 31, 2024 were 5.8%, an increase from 5.4% 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. The absolute increase in SG&A in 2024 was also required to support the concentrated turnaround season we executed in the latter part of 2024.

- Income from continuing operations for the year ended December 31, 2024 was $1.6 million, representing an increase of $14.5 million or 112.6% from 2023. The income variance was driven by the impairment of assets of $11.5 million that was recorded in 2023 combined with improvement in gross profit margin in 2024, partially offset by higher SG&A expenses in 2024.
- Liquidity, including cash and available credit facilities, was $59.7 million at December 31, 2024, as compared to $56.7 million at December 31, 2023.
- New contract awards and renewals totaled approximately $371.2 million for the year ended December 31, 2024.

FOURTH QUARTER HIGHLIGHTS

- Revenues for the three months ended December 31, 2024 were $187.2 million, representing an increase of $37.5 million or 25.0% from the same period in 2023. The increase in revenue was primarily due to the high activity levels experienced in the third quarter of 2024 continuing into the fourth quarter of 2024.
- Gross profit for the three months ended December 31, 2024 was $20.2 million, representing an increase of $3.0 million or 17.7% from the same period in 2023.
- Gross profit margin for the three months ended December 31, 2024 was 10.8%, compared to 11.5% for the same period in 2023. The decrease in gross profit margin as a percentage of revenue was primarily due to the mix of work compared to the same period of 2023.
- Adjusted EBITDAS for the three months ended December 31, 2024 was $10.6 million, representing an increase of $1.7 million or 19.0% from the same period in 2023.
- Adjusted EBITDAS margin was 5.6% for the three months ended December 31, 2024 compared to 5.9% for the same period in 2023.
- SG&A expenses for the three months ended December 31, 2024 were $9.9 million, representing an increase of $1.0 million or 11.4% from the same period in 2023. As a percentage of revenue, SG&A expenses for the three months ended December 31, 2024 were 5.3%, compared to 5.9% for the same period in 2023. The increase in SG&A expenses on an absolute basis, is primarily due to higher personnel costs and higher occupancy costs.
- Income from continuing operations for the three months ended December 31, 2024 was $1.7 million, representing an increase of $1.9 million or 764.3% form the same period in 2023. The income variance was driven by the increase in gross profit margin partially offset by higher SG&A expenses.
- New contract awards and renewals totaled approximately $36.4 million for the three months ended December 31, 2024 and $47.7 million for the first two months of 2025. Approximately 71.9% of the work is expected to be completed by the end of 2025, with the balance completed between 2026 and 2030.

FOURTH QUARTER AND ANNUAL 2024 FINANCIAL RESULTS

($ thousands, except per share amounts)	Three months ended December 31,			Twelve months ended December 31,		
	2024	2023	% Change	2024	2023	% Change
Revenue ($)	187,175	149,682	25.0	710,554	655,745	8.4
Gross Profit ($)	20,180	17,145	17.7	74,925	67,513	11.0
Gross Profit Margin (%)	10.8	11.5	(0.7)	10.5	10.3	0.2
Adjusted EBITDAS (1)	10,551	8,868	19.0	35,477	33,002	7.5
Adjusted EBITDAS Margin (%)	5.6	5.9	(0.3)	5.0	5.0	—
SG&A ($)	9,894	8,883	11.4	41,065	35,668	15.1
SG&A Margin (%)	5.3	5.9	(0.6)	5.8	5.4	0.4
Net income (loss) from continuing operations ($)	1,694	(255)	764.3	1,625	(12,894)	112.6
Net income (loss) ($)	1,657	(261)	734.9	1,272	(12,907)	109.9
Basic and Diluted:						
Net income (loss) per share from continuing operations ($)	0.01	(0.01)	200.0	0.01	(0.12)	108.3
Net income (loss) per share ($)	0.01	(0.01)	200.0	0.01	(0.12)	108.3

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

LIQUIDITY AND CAPITAL RESOURCES

On May 31, 2024, FLINT extended the maturity dates of (a) the ABL Facility to April 14, 2027 (previously April 14, 2025), (b) the Term Loan Facility to the earlier of (i) the date that is 180 days following the maturity of the ABL Facility and (ii) October 14, 2027 (previously October 14, 2025), and (c) the Senior Secured Debentures to October 14, 2027 (previously March 23, 2026).

FLINT has an asset-based revolving credit facility (the “ABL Facility”) providing for maximum borrowings 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 flows from operations will be sufficient to meet its short-term contractual obligations and to maintain compliance with its financial covenants through December 31, 2025. To maintain compliance with its financial covenants through December 31, 2025, the Company can request approval from the holder of the Senior Secured Debentures to pay interest on the Senior Secured Debentures in kind.

As at December 31, 2024, the issued and outstanding share capital included 110,001,239 Common Shares, 127,732 Series 1 Preferred Shares, and 40,100 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 $40.100 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 December 31, 2024, the accrued and unpaid dividends on the Series 1 and Series 2 shares totaled $110.2 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 $5.2 million in order to satisfy the interest that would otherwise become due and payable on such date.

ADDITIONAL INFORMATION

Our audited consolidated financial statements for the year ended December 31, 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:

Barry Card
Chief Executive Officer
FLINT Corp.
(587) 318-0997
investorrelations@flintcorp.com

Jennifer Stubbs
Chief Financial Officer
FLINT Corp.

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, including industrial market diversification and geographic expansion, upholding our commitment to our stakeholders, while advancing our position in the markets we serve; contract renewals and project awards, including the estimated value thereof and the timing of completing the associated work; and 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 December 31, 2025.

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, loss (recovery) of contingent consideration liability, 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 December 31, 2024	2023	Twelve months ended December 31, 2024	2023
Income (loss) from continuing operations	1,694	(255)	1,625	(12,894)
Add:				
Amortization of intangible assets	65	69	266	401
Depreciation expense	2,683	2,496	10,686	10,106
Long-term incentive plan expense	1,000	750	3,225	3,420
Interest expense	4,767	4,845	18,800	18,525
EBITDAS	10,209	7,905	34,602	19,558
Add (deduct):				
Gain on sale of property, plant and equipment	(200)	(59)	(1,453)	(382)
Impairment of goodwill and intangible assets	—	—	—	7,289
Impairment of property, plant and equipment	—	—	—	4,173
Restructuring expenses	295	436	1,605	1,541
Other income	(32)	—	(500)	(142)
One-time incurred expenses	279	586	1,223	965
Adjusted EBITDAS	10,551	8,868	35,477	33,002