FLINT Announces First Quarter 2025 Financial Results

Reports Adjusted EBITDAS of $5.1 million, representing a 61% improvement from prior year

Calgary, Alberta (May 8, 2025) – FLINT Corp. ("FLINT" or the "Company") (TSX: FLNT) today announced its results for the three months ended March 31, 2025. 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.

"Our commitment to quality execution and scaling the business has been demonstrated this quarter, as we were able to improve our operating results compared to prior year, despite the decrease in revenues. In addition, our liquidity is at an all-time high, which is a result of our improved finance performance and the significant advances made in our cash management cycle," said Barry Card, Chief Executive Officer.

"Activity levels in the first quarter were down slightly compared to the same period last year with revenues approximately 6% lower. Despite that, gross profit margin was $14.4 million and Adjusted EBITDAS was $5.1 million, up 11% and 61%, respectively, from the first quarter of 2024. We expect activity levels to increase in the second quarter as we execute our spring turnaround program. For the remainder of 2025, we expect activity levels to be fairly consistent with 2024, although there is increased uncertainly as to the timing of some contracts due to the current economic and geopolitical environment," added Mr. Card.

FIRST QUARTER HIGHLIGHTS

- Revenues for the three months ended March 31, 2025 were $137.9 million, representing a decrease of $9.0 million or 6.1% from the same period in 2024.
- Gross profit for the three months ended March 31, 2025 was $14.4 million, representing an increase of $1.4 million or 10.7% from the same period in 2024. Gross profit margin for the three months ended March 31, 2025 was 10.4%, compared to 8.9% for the same period in 2024.
- Adjusted EBITDAS for the three months ended March 31, 2025 was $5.1 million, representing an increase of $1.9 million or 60.5% from the same period in 2024. Adjusted EBITDAS margin was 3.7% for the three months ended March 31, 2025 compared to 2.2% for the same period in 2024.
- SG&A expenses for the three months ended March 31, 2025 were $9.4 million, representing a decrease of $0.7 million or 6.9% from the same period in 2024. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2025 were 6.8%, consistent with 6.8% for the same period in 2024.
- Liquidity, including cash and available credit facilities, was $89.1 million at March 31, 2025, as compared to $77.0 million at March 31, 2024.
- Loss from continuing operations for the three months ended March 31, 2025 was $3.3 million, representing an improvement of $1.5 million or 30.4% form the same period in 2024.
- New contract awards and renewals totaled approximately $78.0 million for the three months ended March 31, 2025 and $7.4 million for the month of April. Approximately 74% of the work is expected to be completed in 2025.

FIRST QUARTER FINANCIAL RESULTS

($ thousands, except per share amounts)	Three months ended March 31, 2025	2024	% Change
Revenue ($)	137,881	146,863	(6.1)
Gross Profit ($)	14,401	13,010	10.7
Gross Profit Margin (%)	10.4	8.9	1.5
Adjusted EBITDAS (1)	5,118	3,188	60.5
Adjusted EBITDAS Margin (%)	3.7	2.2	1.5
SG&A ($)	9,361	10,056	(6.9)
SG&A Margin (%)	6.8	6.8	—
Net loss from continuing operations ($)	(3,332)	(4,786)	30.4
Net loss ($)	(3,341)	(5,012)	33.3
Basic and Diluted:			
Net loss per share from continuing operations ($)	(0.03)	(0.05)	40.0
Net loss per share ($)	(0.03)	(0.05)	40.0

(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 months ended March 31, 2025 was $137,881 compared to $146,863 for the same period in 2024, representing a decrease of 6.1%. The decrease in revenue was primarily due to the timing of maintenance and construction work as compared to the same period in 2024.

Gross profit for the three months ended March 31, 2025 was $14,401 compared to $13,010 for the same period in 2024, representing an increase of 10.7%. Gross profit margin for three months ended March 31, 2025 was 10.4%, compared to 8.9% for the same period in 2024. The increase in gross profit, both on an absolute basis and as a percentage of revenue, was primarily due to the mix of work compared to the same period of 2024.

SG&A expenses for the three months ended March 31, 2025 were $9,361, in comparison to $10,056 for the same period in 2024, representing a decrease of 6.9%. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2025 were 6.8%, consistent with 6.8% for the same period in 2024. Spending in 2024 was elevated due to the focus on continuous improvement initiatives designed to scale the business more efficiently in future periods.

For the three months ended March 31, 2025, Adjusted EBITDAS was $5,118 compared to $3,188 for the same period in 2024. As a percentage of revenue, Adjusted EBITDAS was 3.7% for the three months ended March 31, 2025 compared to 2.2% for the same period in 2024.

Loss from continuing operations for the three months ended March 31, 2025 was $3,332 in comparison to a loss of $4,786 for the same period in 2024. The loss variance was driven primarily by the increase in gross profit margin.

CORPORATE UPDATES

On March 25, 2025, the Company released its third Sustainability Report as part of its ongoing commitment to environmental, social and governance matters. A copy of the 2024 Sustainability Report is accessible on the Company's website at www.flintcorp.com.

The annual and special meeting of holders of common shares will be held at the Bow Valley Square Conference Centre (Hamilton Room), +30 Level, 205 – 5th Avenue S.W., Calgary, Alberta on Tuesday, June 24, 2025, at 9:00a.m. (Calgary time).

LIQUIDITY AND CAPITAL RESOURCES

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. To maintain compliance with its financial covenants through March 31, 2026, 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 March 31, 2025, 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 March 31, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 shares totaled $114.4 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.

ADDITIONAL INFORMATION

Our unaudited condensed consolidated interim financial statements for the three months ended March 31, 2025 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. This press release contains forward-looking information relating to: our business plans, strategies and objectives; the expectation for activity levels to increase in the second quarter and that for the remainder of 2025, we expect activity levels to be fairly consistent with 2024, although there is increased uncertainly as to the timing of some projects due to the current economic and geopolitical environment; contract renewals and project awards, including the estimated value thereof and the timing of completing the associated work; the company's approach to dividends 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 March 31, 2026.

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 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 March 31, 2025	2024
Loss from continuing operations	(3,332)	(4,786)
Add:		
Amortization of intangible assets	65	68
Depreciation expense	2,765	2,617
Long-term incentive plan expense	1,000	600
Interest expense	4,529	4,582
EBITDAS	5,027	3,081
Add (deduct):		
Gain on sale of property, plant and equipment	(314)	(169)
Restructuring expenses	554	395
Other income	(156)	(315)
One-time incurred expenses	7	196
Adjusted EBITDAS	5,118	3,188